

BRYAN CAVE LEIGHTON PAISNER LLP

Sharon Z. Weiss (State Bar No.: 169446)

sharon.weiss@bclplaw.com

120 Broadway, Suite 300

Santa Monica, CA 90401-2386

Telephone: (310) 576-2100

Facsimile: (310) 576-2200

Jarret P. Hitchings (*Pro Hac Vice*)

jarret.hitchings@bclplaw.com

One Wells Fargo Center

301 S. College Street, Suite 2150

Charlotte, NC 28202

Telephone (704) 749-8999

Facsimile: (704) 749-8990

Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re:

Oceanwide Plaza LLC,

Debtor.

Case No.: 2:24-bk-11057-DS

Hon. Deborah J. Saltzman

Chapter 11 Case

**NOTICE OF FILING (I) DEBTOR'S
SECOND AMENDED DISCLOSURE
STATEMENT, (II) DEBTOR'S SECOND
AMENDED LIQUIDATING PLAN OF
REORGANIZATION (DATED
SEPTEMBER 4, 2024), (III) REVISED
PROPOSED ORDER; AND (IV)
RELATED EXHIBITS**

Continued Hearing:

Date: September 5, 2024

Time: 1:00 p.m.

Place: Courtroom 1639

255 E. Temple St.

Los Angeles, CA 90012

1 **TO THE HONORABLE DEBORAH J. SALTZMAN, UNITED STATES BANKRUPTCY**
2 **JUDGE, THE OFFICE OF THE UNITED STATES TRUSTEE, CREDITORS, AND**
3 **OTHER PARTIES-IN-INTEREST:**

4 **PLEASE TAKE NOTICE** that on July 10, 2024, Oceanwide Plaza LLC (the “Debtor”)
5 filed its *Debtor’s Notice Of Motion And Motion For Order: (1) Approving Disclosure Statement*
6 *Describing Debtor’s Liquidating Plan Of Reorganization (Dated July 10, 2024); (2) Establishing*
7 *Voting, Plan Confirmation, And Other Procedures; (3) Scheduling Plan Confirmation Hearing And*
8 *Setting Other Related Dates And Deadlines; And (4) Providing Other Ancillary And Related Relief;*
9 *Memorandum Of Points And Authorities In Support Thereof* (the “Motion to Approve Disclosure
10 Statement”) [ECF No. 325]. Debtor submitted a proposed order as Exhibit 1 to the Motion to
11 Approve Disclosure Statement (the “First Proposed Order”).

12 **PLEASE TAKE FURTHER NOTICE** that on July 10, 2024, Debtor filed its *Disclosure*
13 *Statement Describing Debtor’s Liquidating Plan of Reorganization (Dated July 10, 2024)* [ECF
14 No. 328] (the “Disclosure Statement”) and the corresponding *Debtor’s Liquidating Plan of*
15 *Reorganization (Dated July 10, 2024)* [ECF No. 329] (the “Plan”);

16 **PLEASE TAKE FURTHER NOTICE** that on July 26, 2024, the United States
17 Bankruptcy Court for the Central District of California (the “Court”) directed on the record during
18 a status conference that the Debtor file any supplement to the Disclosure Statement by August 19,
19 2024, *see* ECF No. 327 (providing notice of amended deadlines, the “Amended Disclosure
20 Statement Hearing Notice”);

21 **PLEASE TAKE FURTHER NOTICE** that the Debtor filed its *Notice Of Filing (I)*
22 *Debtor’s Supplemental Disclosure Statement, (II) Debtor’s Supplemental Liquidating Plan Of*
23 *Reorganization (Dated August 19, 2024), And (III) Related Exhibits* (the “First Supplement”) on or
24 about August 19, 2024. [ECF 387].

25 **PLEASE TAKE FURTHER NOTICE** that after receiving objections to the Disclosure
26 Statement and the First Supplement, Debtor made additional revisions to the Disclosure Statement,
27 Plan and Proposed First Order to address most of the filed objections and after discussions with the
28 objecting creditors.

1 **PLEASE TAKE FURTHER NOTICE** that the revisions to the Disclosure Statement and
2 the Plan are attached hereto as **Exhibit A** (the “Second Amended Disclosure Statement” and the
3 “Second Amended Plan”).

4 **PLEASE TAKE FURTHER NOTICE** that redline comparison versions of the Second
5 Amended Disclosure Statement and the Second Amended Plan showing amendments to the First
6 Supplemental Disclosure Statement and Plan are attached hereto as **Exhibit B**.

7 **PLEASE TAKE FURTHER NOTICE** that the revisions to the First Proposed Order is
8 attached hereto as **Exhibit C** (the “Proposed Order”).

9 **PLEASE TAKE FURTHER NOTICE** that redline comparison versions of the Proposed
10 Order to the First Proposed Order is attached hereto as **Exhibit D**.

11 **PLEASE TAKE FURTHER NOTICE** that consistent with the Amended Disclosure
12 Statement Hearing Notice, the Debtor intends to seek approval of the Amended Disclosure
13 Statement and relied relief on September 5, 2024, at 1:00 p.m., before the Honorable Deborah J.
14 Saltzman, United States Bankruptcy Judge, in Courtroom 1639 of the United States Bankruptcy
15 Court for the Central District of California (the “Court”) at 255 E. Temple Street, Los Angeles,
16 California 90012.

17
18 Dated: September 4, 2024

BRYAN CAVE LEIGHTON PAISNER LLP

19 By: /s/ Sharon Z. Weiss

20 Sharon Z. Weiss

21 Attorneys for Debtor and Debtor-in-Possession
22
23
24
25
26
27
28

EXHIBIT A

BRYAN CAVE LEIGHTON PAISNER LLP

Sharon Z. Weiss (State Bar No.: 169446)

sharon.weiss@bclplaw.com

120 Broadway, Suite 300

Santa Monica, CA 90401-2386

Telephone: (310) 576-2100

Facsimile: (310) 576-2200

Jarret P. Hitchings (*Admitted Pro Hac Vice*)

jarret.hitchings@bclplaw.com

One Wells Fargo Center

301 S. College Street, Suite 2150

Charlotte, NC 28202

Telephone: (704) 749-8999

Facsimile: (704) 749-8990

Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re

Oceanwide Plaza LLC,

Debtor.

Case No. 2:24-bk-11057-DS

Chapter 11

**DEBTOR'S SECOND AMENDED
DISCLOSURE STATEMENT DESCRIBING
DEBTOR'S LIQUIDATING PLAN OF
REORGANIZATION (DATED SEPTEMBER 4,
2024)**

Disclosure Statement Hearing

Date: September 5, 2024

Time: 1:00 p.m.

Place: Ctrm 1634/Via Zoom

255 East Temple Street

Los Angeles, CA 90012

Plan Confirmation Hearing

Date: October 16, 2024

Time: 10:00 a.m.

Place: Ctrm 1634/Via Zoom

255 East Temple Street

Los Angeles, CA 90012

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

TABLE OF CONTENTS

	<u>Page</u>
Table of Authorities	iii
DISCLAIMER	1
I. INTRODUCTION	2
II. BACKGROUND	4
A. Description and History of Debtor’s Business and a Summary of the Circumstances Which Led to the Filing of this Case.	4
Debtor’s Business Operations	4
Debtor’s Liquidity Struggles and Pre-Petition Efforts to Reorganize	6
The Webcor Litigation	7
Debtor Is Working With LA City As A Result of International Attention Causing Security Issues	8
B. Pre-Petition Financing Arrangements	9
C. Events During Debtor’s Chapter 11 Case.	10
a. Employment of Professionals and Consultants.....	10
b. Claims Bar Date	10
c. Summary of Scheduled and Filed Claims.....	11
i. Secured Claims.....	11
ii. Priority Tax Claims	11
iii. Non-Tax Priority Claims.....	11
iv. General Unsecured Claims.....	11
v. Intercompany Loans.....	11
d. DIP Financing	12
e. Limited Relief from Stay Regarding the State Court Action	13
f. U.S. Trustee’s Motion to Dismiss Denied	14
g. Settlement-Efforts / Mediation With Consulting Parties	14
h. Bidding Procedures / Sale of Property	14
III. PLAN SUMMARY	16
IV. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS.	19
A. What Creditors and Interest Holders Will Receive Under the Plan.....	19
B. Unclassified Claims.	20
1. DIP Facility Claims.....	20
2. Administrative Claims.	20
3. Professional Fee Claims.....	20
4. Priority Tax Claims.....	21
5. Statutory Fees.....	21
C. Means of Effectuating and Implementing the Plan.....	22
1. Funding for the Plan.....	22

1	2.	Sale of the Property.....	22
2	3.	Liquidation of Plan Administration Assets.....	22
3	4.	Transfer to the Liquidating Trust.....	23
4	5.	Causes of Action.....	23
5	6.	Composition of Debtor Post-Confirmation.....	23
6	7.	Distribution Agent.....	23
7	8.	Employment of Professionals by the Liquidating Trustee.....	24
8	9.	Protocol for the Liquidation of Disputed Claims.....	24
9	10.	Exemption from Transfer Taxes.....	25
10	11.	Distributions to Be Made Pursuant to the Plan.....	26
11	12.	Injunctions.....	27
12	13.	Exculpation.....	27
13	14.	Executory Contracts and Unexpired Leases.....	28
14	15.	Retention of Jurisdiction.....	31
15	V.	TAX CONSEQUENCES OF THE PLAN.....	33
16	VI.	CONFIRMATION REQUIREMENTS AND PROCEDURES.....	34
17	A.	Who May Object.....	34
18	B.	Who May Vote to Accept or Reject the Plan.....	35
19	C.	What is an Allowed Claim or Interest?.....	35
20	D.	What is an Impaired Claim or Interest?.....	35
21	E.	Who is Not Entitled to Vote.....	36
22	F.	Who Can Vote in More Than One Class.....	36
23	G.	Votes Necessary to Confirm the Plan.....	36
24	H.	Votes Necessary for a Class to Accept the Plan.....	36
25	I.	Treatment of Non-Accepting Classes.....	37
26	J.	Liquidation Analysis.....	37
27	K.	Feasibility.....	39
28	VII.	RISK FACTORS REGARDING THE PLAN.....	40
	VIII.	EFFECT OF CONFIRMATION OF THE PLAN.....	40
	A.	Discharge.....	40
	B.	Modification of the Plan.....	40
	C.	Post-Confirmation Status Reports.....	41
	D.	Post-Confirmation Conversion/Dismissal.....	41
	E.	Final Decree.....	41

TABLE OF AUTHORITIES

Page(s)

Cases

<i>Fla. Dep't of Revenue v. Piccadilly Cafeterias, Inc.</i> , 554 U.S. 33 S. Ct. 2326, 171 L. Ed. 2d 203 (2008)	27
<i>In re New 118th, Inc.</i> , 398 B.R. 791 (Bankr. S.D.N.Y. 2009)	27

Statutes

11 U.S.C. § 105	2, 31
11 U.S.C. § 326	37
11 U.S.C. § 346	31
11 U.S.C. § 362	13
11 U.S.C. § 363	31
11 U.S.C. § 365(d)(4)	32
11 U.S.C. § 502(d)	31
11 U.S.C. § 505	31
11 U.S.C. § 507(a)(2)	23, 35
11 U.S.C. § 507(a)(3)	35
11 U.S.C. § 507(a)(8)	24, 35
11 U.S.C. § 542	31
11 U.S.C. § 551	31
11 U.S.C. § 553	31
11 U.S.C. § 1112(b)	13, 40
11 U.S.C. § 1123	31
11 U.S.C. § 1123(a)(1)	16
11 U.S.C. § 1125	2
11 U.S.C. § 1129	3

1	11 U.S.C. § 1129(a)(8).....	36
2	11 U.S.C. § 1129(a)(9)(C).....	24, 27
3	11 U.S.C. § 1129(b)	36
4	11 U.S.C. § 1141	31
5	11 U.S.C. § 1146.....	31
6	11 U.S.C. § 1146(a)	27, 31, 37
7	28 U.S.C. § 1930(a)	24
8	28 U.S.C. § 1930(a)(6).....	41
9	31 U.S.C. § 3717	24
10	Cal. Civ. Code § 8800.....	7
11	Cal. Rev. & Tax. Code §11911	27
12	Cal. Rev. & Tax. Code § 11923	27, 37
13	LAMC § 21.9.2(a).....	27
14	LAMC § 21.9.2(b)	27
15	LAMC § 21.9.6	27, 37
16	Other Authorities	
17	Fed. R. Bankr. P. 3019	4
18	Fed. R. Bankr. P. 3022	40
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

DISCLAIMER

THIS SECOND AMENDED DISCLOSURE STATEMENT¹ (THE “DISCLOSURE STATEMENT”) WAS COMPILED FROM INFORMATION OBTAINED FROM NUMEROUS SOURCES BELIEVED TO BE ACCURATE TO THE BEST OF DEBTOR’S KNOWLEDGE, INFORMATION, AND BELIEF. THERE HAS BEEN NO INDEPENDENT AUDIT OF THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT EXCEPT AS EXPRESSLY INDICATED HEREIN.

NOTHING STATED HEREIN SHALL BE DEEMED OR CONSTRUED AS, AND IS NOT INTENDED TO BE, AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY OR TO BE ADMISSIBLE IN ANY PROCEEDING INVOLVING DEBTOR OR ANY OTHER PARTY, OR TO BE DEEMED CONCLUSIVE EVIDENCE OF THE TAX OR OTHER LEGAL EFFECTS OF THE PLAN ON DEBTOR OR HOLDERS OF CLAIMS OR EQUITY INTERESTS. CERTAIN STATEMENTS CONTAINED HEREIN, BY NATURE, ARE FORWARD-LOOKING AND CONTAIN ESTIMATES AND ASSUMPTIONS. THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS WILL REFLECT ACTUAL OUTCOMES.

UNLESS OTHERWISE INDICATED HEREIN, THE STATEMENTS CONTAINED HEREIN ARE MADE AS OF THE DATE HEREOF. THE DELIVERY OF THIS DISCLOSURE STATEMENT SHALL NOT BE DEEMED OR CONSTRUED TO CREATE ANY IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AT ANY TIME AFTER THE DATE HEREOF.

HOLDERS OF CLAIMS AND EQUITY INTERESTS SHOULD NOT CONSTRUE THE CONTENTS OF THIS DISCLOSURE STATEMENT AS PROVIDING ANY LEGAL, BUSINESS, FINANCIAL, OR TAX ADVICE. THEREFORE, EACH SUCH HOLDER SHOULD CONSULT WITH ITS OWN LEGAL, BUSINESS, FINANCIAL, AND TAX ADVISORS AS TO

¹ Debtor filed its initial Disclosure Statement on July 10, 2024 [ECF No. 328] and its Supplement to its Disclosure Statement on August 19, 2024 [ECF 387]. This Second Amended Disclosure Statement is filed as of September 4, 2024 and includes additional information not available at the time of filing the initial Disclosure Statement and the Supplement to the Disclosure Statement. In order to provide information in one document, this Supplement replaces the initial Disclosure Statement and Supplemental Disclosure Statement.

1 ANY SUCH MATTERS CONCERNING THIS DISCLOSURE STATEMENT AND THE
2 TRANSACTIONS CONTEMPLATED HEREBY.

3 NO PARTY IS AUTHORIZED TO GIVE ANY INFORMATION WITH RESPECT TO
4 THIS DISCLOSURE STATEMENT OTHER THAN THAT WHICH IS CONTAINED IN THIS
5 DISCLOSURE STATEMENT. NO REPRESENTATIONS CONCERNING DEBTOR OR THE
6 VALUE OF ITS PROPERTY HAVE BEEN AUTHORIZED BY DEBTOR OTHER THAN AS
7 SET FORTH IN THIS DISCLOSURE STATEMENT. ANY INFORMATION,
8 REPRESENTATIONS, OR INDUCEMENTS MADE TO OBTAIN AN ACCEPTANCE OF
9 THIS COMBINED PLAN AND DISCLOSURE STATEMENT OTHER THAN, OR
10 INCONSISTENT WITH, THE INFORMATION CONTAINED HEREIN SHOULD NOT BE
11 RELIED UPON BY ANY HOLDER OF A CLAIM OR EQUITY INTEREST. THIS
12 DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION
13 1125 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016(b), AND NOT IN
14 ACCORDANCE WITH FEDERAL, OR STATE SECURITIES LAWS OR OTHER NON-
15 APPLICABLE BANKRUPTCY LAWS. SEE SECTION VII BELOW, ENTITLED “CERTAIN
16 RISK FACTORS TO BE CONSIDERED” FOR A DISCUSSION OF CERTAIN
17 CONSIDERATIONS IN CONNECTION WITH A HOLDER OF AN IMPAIRED CLAIM
18 ENTITLED TO VOTE ON THE PLAN’S CONSIDERATION.

19 **I. INTRODUCTION**

20 Debtor Oceanwide Plaza LLC (the “Debtor”) is a chapter 11 debtor and debtor-in-
21 possession in the above-captioned chapter 11 case (this “Case”) provides the following disclosure
22 statement (the “Disclosure Statement”) pursuant to Sections 105, 1125, and 1129² of the
23 Bankruptcy Code. This case was initiated on February 13, 2024 (the “Petition Date”), by the filing
24 of an involuntary petition for relief against Debtor (the “Involuntary Petition”) under chapter 11 of
25 the Bankruptcy Code in the United States Bankruptcy Court for the Central District of California
26 (this “Court”) by Lendlease (US) Construction Inc., Standard Drywall, Inc., Star Hardware, Inc.,
27

28 ² References to sections shall refer to Title 11 of the United States Code (“Bankruptcy Code”), unless otherwise
referenced.

1 Woodbridge Glass Inc., and Mitsubishi Electric US, Inc. (collectively, the “Petitioning Creditors”).
2 On March 8, 2024, Debtor filed its *Answer* [ECF No. 27] to the Involuntary Petition and consented
3 to entry of an order for relief. On March 11, 2024 (the “Relief Date”), the clerk of the Court entered
4 the *Order for Relief* [ECF No. 29] (the “Relief Order”).

5 This document is the Disclosure Statement which describes Debtor’s Liquidating Plan of
6 Reorganization (“Plan”). October 8, 2024 (the “Voting Deadline”), is the last date by which ballots
7 accepting or rejecting the Plan must be received by counsel for the Debtor. Ballots must be
8 delivered in one of the following manners so that the Ballot is received by Debtor’s Solicitation
9 Agent by mail at Oceanwide Plaza LLC Ballot Processing c/o Stretto 410 Exchange, Suite 100,
10 Irvine CA 92602 or electronically under the “File a Ballot” tab at
11 <https://cases.stretto.com/OceanwidePlaza/>.

12 Chapter 11 of the Bankruptcy Code allows the debtor, and under some circumstances,
13 creditors, and other parties-in-interest, to propose a plan of reorganization. The Plan is a liquidating
14 plan that contemplates the sale of substantially all of Debtor’s assets. After the Plan is fully
15 administered, Debtor will be dissolved. The Plan provides for the closing of the sale of Debtor’s
16 Property, as defined below (the “Sale”), on or before the Effective Date, as defined below. The
17 Effective Date of the Plan (“Effective Date”) will occur when the following conditions to the
18 effectiveness of the Plan have been satisfied or waived by Debtor: (a) the Plan and all documents,
19 instruments, and agreements to be executed in connection with the Plan shall have been executed
20 and delivered by all parties to such documents, instruments, and agreements; (b) the Plan shall not
21 have been materially altered, amended or modified; (c) there shall be no ruling, judgment, or
22 ordered preventing or prohibiting the consummation of the Sale; and (d) the Sale has been closed
23 and consummated. The sale of the Property will provide the primary means for the implementation
24 of the Plan. All capitalized terms used in this Disclosure Statement are defined in the Plan and shall
25 be deemed to have the same definition as used in the Plan.

26 This Disclosure Statement contains, among other things, (i) a discussion of some of
27 Debtor’s history and business, (ii) a summary of some of the events leading to this Case, (iii) the
28 goal of the Case, (iv) risk factors associated with this Case, (v) a summary and analysis of the Plan,

1 and (vi) certain other related matters. Debtor is the proponent of the Plan within the meaning of
2 Section 1129.

3 Copies of this Disclosure Statement, the Plan, and all other documents related to this Case
4 are available for review without charge through Debtor's Notice and Claims Agent at
5 <https://cases.stretto.com/oceanwideplaza/> and with charge at <https://www.pacer.gov/>.

6 ALL HOLDERS OF CLAIMS AGAINST DEBTOR ARE ENCOURAGED TO READ
7 THIS DISCLOSURE STATEMENT IN ITS ENTIRETY, AND TO CONSULT WITH AN
8 ATTORNEY, BEFORE VOTING TO ACCEPT OR REJECT THE PLAN, SUBJECT TO
9 CERTAIN RESTRICTIONS AND REQUIREMENTS SET FORTH IN SECTION 1127,
10 BANKRUPTCY RULE 3019, AND IN THE PLAN, DEBTOR RESERVES THE RIGHT TO
11 ALTER, AMEND, MODIFY, REVOKE, OR WITHDRAW THE PLAN, OR ANY PART
12 THEREOF, PRIOR TO ITS SUBSTANTIAL CONSUMMATION. IF THERE ARE ANY
13 INCONSISTENCIES BETWEEN THIS DISCLOSURE STATEMENT AND THE PLAN, THE
14 TERMS OF THE PLAN WILL GOVERN.

15 II. BACKGROUND

16 A. Description and History of Debtor's Business and a Summary of the 17 Circumstances Which Led to the Filing of this Case.

18 Debtor's Business Operations

19 1. Debtor, a Los-Angeles based real estate developer, is an American subsidiary of a
20 global Chinese conglomerate. Oceanwide Real Estate Group (USA) Corp. ("OREG"), a Delaware
21 corporation, is Debtor's sole member and its manager. Debtor is part of a corporate family
22 consisting of other senior limited liability companies and is indirectly owned by Oceanwide
23 Holdings Co. Ltd, ("Oceanwide Holdings"), in Beijing, China. Debtor's relevant corporate affiliates
24 are shown on Exhibit 1.

25 2. Debtor was organized in 2013 to purchase a block in downtown Los Angeles across
26 from then Staples Center (now Crypto.com Arena), bounded by Figueroa, Flower, 11th and 12th
27 Streets (generally, the "Real Property"). Debtor purchased the Real Property that year for \$174
28

1 million. At the time, the Real Property consisted of an asphalt parking lot and a small two-story
2 building.

3 3. The Debtor owns Oceanwide Plaza (the “Project”), an approximately 60-percent
4 complete mixed-use development project in downtown Los Angeles. The Project is situated on the
5 Real Property.

6 4. In connection with the Project, Debtor additionally acquired certain personal
7 property which is both located at the Real Property and in possession of third parties (the “Personal
8 Property”, and together with the Real Property, the “Property”).

9 5. The Project is across from Crypto.com Arena and consists of three uncompleted
10 high-rise residential towers: two towers are 42 stories tall, and the other is 55 stories tall which
11 includes a planned 11-story hotel. Each tower is built on a 6-story podium, consisting of parking,
12 retail, dining, and office space, and a planned 2-story-high LED screen wrapped around the
13 podium's Figueroa, 11th, and 12th street facades. The Project’s external construction is largely
14 complete, but portions of the Project’s internal construction is unfinished.

15 6. The Project is part of the Los Angeles Sports and Entertainment District, which
16 includes the Convention Center, Crypto.com Arena, LA Live, and the two 30-plus story Circa luxury
17 apartment towers at 12th and Figueroa Streets. It is also part of a broader plan and long-standing goal
18 of the City of Los Angeles (“LA City”) to develop this section of downtown Los Angeles into a Times
19 Square-like destination zone with multi-story LED screens, entertainment venues, and night-time
20 dining and clubs.

21 7. Debtor’s pre-petition funding arrangements are set forth in Section B below. For
22 purposes of this Section and context, prior to the Petition Date, Debtor largely self-funded Project
23 construction. However, for short-term needs, L.A. Downtown Investment LP (“LADI”) provided
24 Oceanwide with up to \$325,000,000 in construction financing (the “Loan”). LADI disbursed
25 \$136.5 million to Oceanwide, and Oceanwide re-paid \$11 million in principal, reducing the
26 principal owed to \$125.5 million.

1 8. In 2014, Debtor hired RTKL Associates, Inc., now known as CallisonRTKL Inc., as
2 its architect, and Lendlease (US) Construction, Inc. (“Lendlease”) as construction manager, to
3 begin work on the Project and entered into separate contracts with them.

4 9. In 2015, the existing structure and parking lot were demolished, and excavation
5 began. Debtor hired Swinerton Management Consulting (“Swinerton”) to manage the construction
6 phase and supervise a general contractor.

7 10. In 2016, after a bidding process, Debtor hired Lendlease as its general contractor to
8 construct the Project and Lendlease then hired over forty subcontractors.

9 11. In March 2018, the Project “topped-out”: the high-rise towers were finished to their
10 top floors. Shortly thereafter, Debtor began loan negotiations with JPMorgan Chase Bank, N.A. for
11 a \$1.1 billion loan facility. These negotiations continued into 2019 but were ultimately not
12 successful.

13 **Debtor’s Liquidity Struggles and Pre-Petition Efforts to Reorganize**

14 12. In November 2018, Debtor began to have difficulty obtaining additional capital
15 transfers from its affiliates in China. Debtor believes that these funding difficulties arose for several
16 reasons, including regulatory restrictions by the Chinese government on current transfers and other
17 macro-economic conditions.

18 13. Debtor understands that as a result of its capital challenges, Lendlease demobilized
19 most of its subcontractors by mid- January 2019, but continued to perform a small amount of work.

20 14. Without access to capital, Debtor then pursued three alternative plans beginning in
21 later January 2019: 1) find alternative construction financing to complete the Project, 2) enter into a
22 joint venture agreement to complete the Project, or 3) sell the Project.

23 15. Debtor attempted to obtain alternative construction financing from January 2019 to
24 September of 2020, but was unable to close on such financing. Debtor believes that its efforts to
25 obtain alternative financing were negatively impacted by the COVID-19 pandemic and related
26 economic slowdown, which impacted both national and global lending markets.

27 16. Debtor then shifted to primarily focus on selling the Project in May 2021. Prior to
28 the Petition Date, Debtor was in serious negotiations with two potential purchasers who were in the

1 process of conducting due diligence; one who signed a Letter of Intent (“LOI”) in August 2023 and
2 the other who signed a LOI in September 2023.

3 **The Webcor Litigation**

4 17. Because Debtor failed to pay contractors, they recorded mechanic’s liens on the Real
5 Property. On January 31, 2019, a Lendlease subcontractor, Webcor Construction, LP, (“Webcor”)
6 sued to foreclose on its mechanic lien in Los Angeles Superior Court case number 19STCV03357
7 (the “State Court Action”)³, the first of 44 foreclosure cases filed against Oceanwide or Lendlease,
8 including Lendlease suing Oceanwide. Lendlease and 27 contractors also sued LADI for a
9 judgment holding their liens were superior to LADI’s deed of trust; and Lendlease and 7 contractors
10 also named LADI’s title insurance company, Chicago Title Insurance Company (“CTIC”). Webcor
11 also sued for declaratory relief that LADI’s deed of trust is invalid and unenforceable. LADI and
12 CTIC cross-sued Lendlease. All of these cases were consolidated into the State Court Action.

13 18. On March 22, 2023, the Superior Court resolved a threshold issue on cross-motions,
14 holding LADI’s Deed of Trust was senior to the contractors’ mechanic’s liens. The Superior Court
15 then trifurcated the State Court Action into three trials, which are known as Phase One, Phase Two,
16 and Phase Three. Phase Two was later continued to after Phase Three. A final judgment will be
17 entered incorporating each phase’s rulings after the last trial.

18 19. In the Phase One trial, the Superior Court ruled Debtor owes Lendlease:
19 (1) \$465,494.23 under Lendlease’s 2014 contract with Debtor; (2) \$2,512,743 for interest due
20 through October 2, 2019 under its 2016 contract with Debtor; (3) prompt payment penalties of
21 \$121,866,906 as of on or about March 14, 2024 under California Civil Code section 8800; and
22 (4) \$118,482,627, an aggregate amount stipulated by Debtor and Lendlease as owed by Debtor for
23 the reasonable value of work performed by Lendlease and subcontractors except Webcor.

24 20. In the Phase Three trial, the Superior Court ruled Debtor owes Lendlease \$51 million
25 for the reasonable value of work performed by Webcor.

26
27
28 ³ The description of the State Court Action provided in this Disclosure Statement is intended as a summary only and
not intended to be a complete description of all matters asserted and addressed in the State Court Action.

21. The Phase Two trial involves Lendlease's and other subcontractors' challenges to the validity of LADI's Deed of Trust, LADI's and CTIC's cross-claims against Lendlease, and LADI's attempt to reduce Lendlease's lien. More specifically, Lendlease and certain subcontractors assert LADI's underlying loan is invalid because LADI and Debtor are one entity and raise certain other fraud-based claims against LADI. LADI, in turn, asserts Lendlease and its subcontractors subordinated their lien rights to LADI's deed of trust. Trial was set for June 2024, but was stayed (and vacated) when the Involuntary Petition was filed. This Court lifted the stay, effective June 13, 2024, to allow the State Court Action to continue through final judgment and appeals, and the Phase Two trial is set to start on October 28, 2024.

Debtor Is Working With LA City As A Result of International Attention Causing Security Issues

22. Oceanwide originally garnered international attention for its scale and ambition, its expected substantial economic impact on downtown Los Angeles, creating jobs and boosting the local economy. It later drew a different kind of focus.

23. Despite Debtor's lack of funds pre-petition, its security service agreed to provide two guards on a 24/7 full time basis. There were recent notable incidents, however, in the first quarter of 2024 involving graffiti and base jumping, including a group of graffiti artists and base jumpers that illegally accessed the unfinished skyscraper. These incidents were widely covered in the media and heightened the need for immediate security measures.

24. On February 9, 2024, the Los Angeles City Council unanimously adopted a resolution stating the Project "has been a blight on Downtown Los Angeles' South Park neighborhood," noting criminal activity had "increased exponentially" in early 2024, including trucks ramming into the Project's gates and driving into the building to facilitate copper wire theft, trespassers climbing hundreds of feet to tag windows with graffiti, and individuals base jumping from the top floor of the Project. LA City also issued an abatement notice ordering Debtor to remove the graffiti and secure the property. Debtor was unable to comply with the abatement orders due to its lack of funds and the City Council voted to allot nearly \$4 million to remove graffiti and secure the Property.

1 25. Since February 1, 2024, the Los Angeles Police Department has had a constant
2 presence at the site. It had allocated significant manpower to this effort to hold the perimeter of the
3 property. It began installing a 14-foot high, stagger-perforated steel-sheet fence (i.e., anti-climb
4 fencing) around the Project on February 23, 2024, and started to installed razor wire in an area
5 deemed particularly prone to breach.

6 26. Debtor took over these security efforts once it secured DIP Financing.

7 27. As noted above, Lendlease and four other creditors filed an involuntary bankruptcy
8 petition against Debtor on the Petition Date.

9 28. Through the DIP Financing, described below, Debtor is working with LA City to
10 safeguard the Property, pay the cost of security, increased to six 24/7 private security guards, and
11 implement other security measures to prevent trespassing such as the installation of razor wire and
12 blocking off entrances to protect the Property and reduce access for potential trespassers.

13 **B. Pre-Petition Financing Arrangements**

14 31. Debtor has self-funded construction of the Project with approximately \$956.6
15 million in capital transfers and received approximately \$118.4 million in inter-company loans
16 (summarized below). The capital transfers made up about 80% of the funding.

17 32. For short-term needs, and as noted above, Debtor obtained a credit line with a \$325
18 million limit from LADI. Debtor understands that LADI is an investment vehicle deployed under
19 the federal government's EB-5 Immigrant Investor visa program. The credit line extended by LADI
20 (generally, the "EB-5 Loan") is evidenced by a \$325 million *Promissory Note* which is secured by
21 a *Deed of Trust* in favor of LADI (the "EB-5 Deed of Trust"). Debtor understands that LADI
22 recorded the EB-5 Deed of Trust against the Property in 2015 to secure repayment of any
23 disbursements under the EB-5 Loan.

24 33. LADI has disbursed approximately \$136.5 million to Oceanwide. Oceanwide re-
25 paid \$11 million of the principal, reducing the principal amount of the debt to \$125.5 million, which
26 together with interest, late fees, etc., remains outstanding.

34. In sum, between the self-funded capital transfers and intercompany loans, and the EB-5 Loan disbursements made by LADI, Debtor has invested approximately \$1.20 billion in the Project's construction:

Capital and Debt	Amount
<i>Capital Transfer</i>	
China Oceanwide Holdings Limited	\$956,527,033.22
Subtotal	\$956,527,033.22
<i>Debt</i>	
L.A. Downtown Investment LP	\$136,500,000.00
Oceanwide Real Estate Group (USA) Corp.	\$95,000,000.00
Oceanwide Investment Three (Hungry) Limited Liability Company	\$23,400,000.00
Subtotal	\$254,900,000.00
TOTAL	\$1,211,427,033.22

C. Events During Debtor's Chapter 11 Case.

a. Employment of Professionals and Consultants

Debtor has employed, and the Court has authorized the employment of, the following professionals: Bryan Cave Leighton Paisner, LLP ("BCLP") as chapter 11 bankruptcy counsel [ECF No. 298]; Stretto, Inc. ("Stretto") as claims, noticing and solicitation agent ("Claims and Noticing Agent") [ECF No. 315]; Bradley Sharp and Development Specialists, Inc. ("DSI") as Debtor's Chief Restructuring Officer ("CRO") [ECF No. 306]; B. Riley Advisory Services ("B. Riley") as Financial Advisor [ECF No. 311]; and Colliers International greater Los Angeles, Inc. ("Colliers") and Hilco Real Estate, LLC ("Hilco," and collectively with Colliers, the "Brokers") as real estate brokers [ECF No. 268].

b. Claims Bar Date

At a hearing dated March 29, 2024, and by order of the Court, the Court established a deadline for creditors to file proofs of claim against Debtor. [ECF No. 89]. On April 18, 2024, Debtor submitted its Notice of Bar Date for Filing Proofs of Claim in a Chapter 11 Case [ECF No. 159] which provided for a general bar date for creditors of June 26, 2024, and a governmental claim bar date of September 7, 2024.

c. *Summary of Scheduled and Filed Claims*

Attached as **Exhibit 2** is a chart for each of the claims that Debtor identified in its schedules and each proof of claim with the asserted amount of that claim that has been filed against Debtor along with the amounts and status of each such claim.

Below is a summary of the total scheduled claims by Debtor and the total filed claims by creditors:

i. Secured Claims

Debtor scheduled a total of approximately \$370,730,000 in secured claims, plus super-priority liens granted to DIP Lender in the original principal amount of \$9,186,943, plus DIP Lender's reasonable counsel fees and other expenses, and interest. Approximately \$372,000,000 in secured claims have been asserted against Debtor in timely filed proofs of claim.

ii. Priority Tax Claims

Debtor scheduled a total of approximately \$145,000 in priority tax claims. Approximately \$319,000 in tax priority claims have been asserted against Debtor in timely filed proofs of claim.

iii. Non-Tax Priority Claims

Debtor has scheduled a total of approximately \$60,600 of non-tax priority claims, representing wage claims owed to Debtor's employees. Approximately \$79,600 in non-tax priority claims have been asserted against Debtor in timely filed proofs of claim.

iv. General Unsecured Claims

Debtor scheduled a total of approximately \$176,700,000 in non-priority general unsecured claims. Approximately \$345,176,000 in non-priority general unsecured claims have been asserted against Debtor in timely filed proofs of claim. This amount does not include unsecured intercompany loans, which are more fully set out below.

v. Intercompany Loans

Debtor owes a total of approximately \$219,300,000 in intercompany loans, inclusive of interest, which accrued prior to the Petition Date (the "Intercompany Loan Claims"). The intercompany loan claims stem from two loans made to Debtor. First, is a loan which was disbursed in multiple installments from October of 2014 to September of 2015 in the total original principal

1 amount of \$23.4 million, with annual interest accruing at 11.5%, which is currently held by
2 Oceanwide Investment Three (Hungary) Limited Liability Company. Second is a loan disbursed
3 in December 2013 in the original principal amount of \$95 million, with annual interest accruing at
4 6.5%, which is currently held by Oceanwide Real Estate Group (USA) Corp.

5 Debtor's investigation of the Intercompany Loan Claims remains ongoing. To the extent
6 that the allowance of the Intercompany Loan Claims is not resolved on or prior to the Effective
7 Date, the Liquidating Trust will continue any such investigation, and if warranted, prosecute
8 objections to remaining claims. Debtor intends to pay the Allowed Intercompany Loans *in pari*
9 *passu* with the holders of General Unsecured Claims.

10 *d. DIP Financing*

11 The ability of Debtor to continue to protect and maintain the Property during the pendency
12 of this Case was dependent on Debtor acquiring post-petition financing. Debtor filed a *Motion for*
13 *Entry of Interim and Final Orders (I) Authorizing the Debtor to Obtain Postpetition Financing, (II)*
14 *Granting Liens and Superpriority Administrative Expense Claims, (III) Modifying the Automatic*
15 *Stay and (IV) Scheduling a Final Hearing* [ECF No. 40] (the "DIP Financing Motion") on March
16 12, 2024. Debtor initially sought a \$10 million dollar secured credit facility ("DIP Financing") from
17 B.H. Capital Ventures, LLC (the "Original DIP Lender"), priming prepetition secured creditors,
18 including, among others, LADI, Lendlease and the County of Los Angeles. Debtor set the DIP
19 Financing Motion for an emergency hearing for March 14, 2024 (the "Initial DIP Hearing").

20 Prior to the Initial DIP Hearing, Debtor received (i) three objections to the DIP Financing
21 Motion filed by the County of Los Angeles ("LA County") [ECF No. 59] Lendlease [ECF No. 50],
22 and LADI [ECF No. 54], (ii) one joinder filed by petitioning creditor Woodbridge Glass Inc. [ECF
23 No. 51], and (iii) informal comments from the Office of the United States Trustee (the "US
24 Trustee"). Debtor eventually selected DTLA Lending LLC as the lender for the DIP Financing (the
25 "DIP Lender") and the Court eventually authorized Debtor to borrow on an interim basis, an amount
26 up to \$1,449,222 and entered its *Interim Order (I) Authorizing the Debtor to Obtain Postpetition*
27 *Financing, (II) Granting Liens and Superpriority Administrative Expense Claims, (III) Modifying*
28 *the Automatic Stay, and (IV) Scheduling a Final Hearing* [ECF No. 176] (the "Interim DIP Order")

1 on April 26, 2024. Debtor then requested authorization to borrow the remainder of the DIP
2 Financing at the final hearing on the DIP Financing Motion scheduled for May 9, 2024 (the “Final
3 DIP Hearing”).

4 Debtor successfully negotiated a resolution to the DIP Financing and the remaining
5 objection was withdrawn. The Court entered its *Final Order (I) Authorizing the Debtor to Obtain*
6 *Postpetition Financing, (II) Granting Liens and Superpriority Administrative Expense Claims, and*
7 *(III) Modifying the Automatic Stay* [ECF No. 229] (the “Final DIP Order”) on May 16, 2024. Per
8 the terms of the Final Order, and Debtor’s resolution of the remaining objection, the Court
9 authorized Debtor to borrow up to \$9,186,943 (inclusive of approved interim financing), pursuant
10 to a specific budget, with Debtor obligated to repay the principal amount borrowed, plus DIP
11 Lender’s reasonable counsel fees and other expenses, and interest which accrues at the annual rate
12 of 4.5%, all as set forth in the Final DIP Order, DIP Credit Agreement and related documents.

13 *e. Limited Relief from Stay Regarding the State Court Action*

14 On March 28, 2024, LADI submitted its *Motion for Relief from the Automatic Stay as to*
15 *Nonbankruptcy Action* [ECF No. 80] (the “Relief from Stay Motion”) alleging, among other things,
16 that LADI’s dispute with Lendlease concerning the priority of their respective liens should be
17 resolved in the State Court Action. On April 11, 2024, Debtor submitted its Objection to LADI’s
18 Motion for Relief From Stay [ECF No. 141] (the “Debtor Stay Relief Objection”). Lendlease filed
19 a joinder and supporting evidence to the Debtor Stay Relief Objection [ECF No. 143]. The Court
20 held a hearing on the Relief from Stay Motion on May 15, 2024, and, on May 29, 2024, the Court
21 entered its *Order Granting Motion for Relief from the Automatic Stay Under 11 U.S.C. § 362* [ECF
22 No. 241] (the “Stay Relief Order”) which, among other things, terminated the automatic stay as to
23 Debtor and Debtor’s estate for all parties and stated that such parties could proceed to a final
24 judgment, including appeals, in accordance with non-bankruptcy law. The automatic stay was not
25 terminated with respect to any effort to enforce any judgment rendered in the State Court Action or
26 to collect any claim against Debtor. As of the date of this Disclosure Statement, the State Court
27 Action remains pending.
28

1 f. *U.S. Trustee's Motion to Dismiss Denied*

2 On June 6, 2024, the United States Trustee filed its *Notice of Motion And Motion Under 11*
3 *U.S.C. § 1112(B) To Dismiss, Convert, Or Direct The Appointment Of A Chapter 11 Trustee, Or*
4 *For A Deadline To Obtain Insurance* [ECF No. 294] (the "UST Motion to Dismiss"). Oppositions
5 to the Motion to Dismiss were filed by Debtor, LA City, and Lendlease [ECF Nos. 333, 334 and
6 342] and joinders to the oppositions were filed by Secured Creditor and Mechanic's Lien Creditor
7 Bragg Investment Co., Inc. [ECF No. 348], ACCO Engineered Systems, Inc., Bapko Metal, Inc.,
8 and Marin Bros / Marcowall, Inc. [ECF No. 349]. The UST filed its Omnibus Reply on July 18,
9 2024 [ECF No. 350]. At the hearing held on July 25, 2024, the Court denied the UST Motion to
10 Dismiss, and entered its order to that effect on July 26, 2024. [ECF No. 371].

11 g. *Settlement-Efforts / Mediation With Consulting Parties*

12 In late April 2024 / early May 2024, Debtor, LADI, Lendlease, CTIC and LA City started
13 to engage in serious negotiations to resolve objections to DIP Financing and to work on a path to
14 consensually move the chapter 11 case forward. The informal settlement-efforts resulted in a
15 consensual resolution of the Final DIP Order that included an agreement to convene confidential
16 regular meetings with these parties (now known as the "Consultation Parties") and an agreement to
17 mediate with the Honorable Randall Newsome (Ret.). An *Order Approving Stipulation To Approve*
18 *Confidentiality And Nondisclosure Agreement* was entered on June 25, 2024. [ECF No. 292].

19 During the mediation, Debtor and the Consulting Parties agreed on the sale process and
20 deadlines regarding the sale and the disclosure statement and plan of reorganization. Judge
21 Newsome has agreed to remain "on call" to assist the parties with disputes, if any, as they arise, to
22 try to avoid formal litigation that will delay the sale process and in return, delay or put into jeopardy
23 a return to creditors.

24 h. *Bidding Procedures / Sale of Property*

25 The sale of the Property is crucial to the consummation of the plan. On June 12, 2024, the
26 Court entered an *Order Granting Debtor's Motion to (I) Approve Auction and Bid Procedures for*
27 *the Sale of Property; (II) Scheduling an Auction and Approving the Form and Manner of Notice*
28 *Thereof; and (III) Granting Related Relief* [ECF No. 276] (the "Bid Procedures Order"). Pursuant

1 to the terms of the Bid Procedures Order, (a) bid procedures are approved (“Bidding Procedures”)
2 regarding the sale and auction of Debtor’s Property; (b) Debtor is authorized, in consultation with
3 the Consultation Parties, upon notice and a hearing, to designate a stalking horse (“Stalking Horse
4 Bidder”) and to provide any such Stalking Horse Bidder with certain bid protections (“Bid
5 Protections”) in the form of expense reimbursements and/or a breakup fee; and (c) in the event an
6 auction is held to sell Debtor’s Property (“Auction”). On July 9, 2024, the Court entered an *Order*
7 *Approving Stipulation To Modify Certain Sale Schedule Dates* [ECF No. 319] (the “First Modified
8 Bid Procedures Order”). The First Modified Bid Procedures Order 1) extended the deadline to
9 select a Stalking Horse Bidder from July 1, 2024, to July 3, 2024; 2) extended the deadline for the
10 Debtor to file a notice of selection of Stalking Horse Bidder to July 16, 2024; and 3) continued a
11 hearing on a proposed Stalking Horse Bidder and Bid Protections from July 10, 2024 at 1:00 p.m.
12 to July 23, 2024 at 3:00 p.m. On July 3, 2024, the Debtor selected a proposed stalking horse bidder
13 subject to the Debtor’s continued due diligence. However, Debtor was not satisfied with the results
14 of this due diligence and did not proceed with that party as the stalking horse bidder at that time.

15 Debtor requested that the Court extend the time for Debtor to select a stalking horse bidder
16 and approve a 2.5 % breakup fee that Debtor may offer to a potential Stalking Horse Bidder without
17 further order of the Court (the “Break-Up Fee”). After additional briefing and evidence, the Court
18 entered its *Modified Order Granting Debtor’s Motion To (I) Approve Auction And Bid Procedures*
19 *For The Sale Of Property; (II) Scheduling An Auction And Approving The Form And Manner Of*
20 *Notice Thereof; And (III) Granting Related Relief.* [ECF No. 374] (the “Second Modified Bid
21 Procedures Order”). The Second Modified Bid Procedures Order further modified certain sale and
22 plan and disclosure statement dates. Debtor is keeping the Consultation Parties apprised of its
23 discussions with potential stalking horse bidders, subject to a confidentiality agreement executed
24 by Debtor and each of the Consultation Parties.

25 The deadline for interested parties to submit bids is August 15, 2024 (the “Bid Deadline”)
26 and an auction is scheduled for September 19, 2024. After the bidder with the highest and best bid,
27 or the second highest and best bid as applicable (the “Winning Bidder”) is identified, through the
28 auction or otherwise, Debtor will then seek approval of the sale through the process set forth in it’s

liquidating Chapter 11 Plan, pursuant to the Court's Order confirming that plan. The closing of the sale of the Property will occur on or before the Effective Date. Debtor anticipates using the amount received from the Winning Bidder, or the Back-Up Bidder, as the case may be, after all costs and expenses are deducted from the gross proceeds arising from the sale of an asset, or a deduction of \$200,000 (the "Post-Confirmation Reserve"), (the "Sale Proceeds") to fund the administrative expenses for the Liquidating Trust which will administer this Plan following the Effective Date (the "Liquidating Trust"), to satisfy creditors as set forth in Section III, below.

III. PLAN SUMMARY

A summary of the composition of each of the classes under the Plan and the treatment of the members of each class is below.⁴ In accordance with Section 1123(a)(1), Debtor has not classified administrative claims, priority tax claims, and professional fee claims. Debtor anticipates receiving bids by the Bid Deadline which will provide for a purchase price sufficient to pay Classes 1 through 5 below in full. There is also a possibility that competitive bidding will result in a greater return and that additional classes will be paid in full. It is possible that Debtor will be unable to come to an agreement with a bidder, or that any bid may not be consummated, and the final sale price may be lower. Additionally, to the extent there are any disputes as to the amount or priority of payments to each of the classes set forth below, the amount of the Sale Proceeds subject to such dispute will be placed in an interest-bearing escrow account pending a final order of the Court with respect to such dispute.

Class 1 – Secured Tax Claims. Debtor scheduled \$18,463,711.62 in tax claims which are secured by tax liens on the Property, which have priority over all other secured claims on the Property including the DIP Facility Claims, described below. Debtor intends to pay all Secured Tax Claims in full from the Sale Proceeds.

Class 2 – LADI Secured Claim. Debtor believes that the LADI Secured Claim is approximately \$125,000,000, plus interest, fees, expenses and any other amounts allowed under the applicable loan documents. Debtor anticipates paying the LADI Secured Claim in full from the

⁴ Please see Exhibit 2 for a schedule for a list of scheduled claims and filed proofs of claim with the asserted amount for each claim.

1 Sale Proceeds. To the extent that the Sale Proceeds are insufficient to pay the LADI Secured Claim,
2 Lendlease Secured Claims and Other Secured Claims in full, or if the LADI Secured Claim is
3 otherwise disputed in whole or in part, then the LADI Secured Claim will be subject to the Disputed
4 Creditor Reserve Treatment, as defined in Section 9(C)(4) below and will only be paid as provided
5 for in that Section, unless the parties otherwise agree.

6 *Class 3 – Lendlease Secured Claims.* Debtor believes that the Lendlease Secured Claims
7 total approximately \$170,730,330. The amount set forth in the Lendlease Secured Claims includes
8 direct claims held by Lendlease against Debtor and secured claims held by subcontractors that
9 Debtor and Lendlease are jointly liable.

10 Debtor has divided Class 3 into two subclasses. Class 3(a) includes the secured claims held
11 directly by Lendlease. Class 3(b) includes the Secured Claims held by subcontractors of Lendlease
12 for which Debtor and Lendlease are both liable, including Claims of subcontractors to Lendlease
13 which have been or may be assigned to Lendlease or any of its affiliates.

14 Following the Effective Date, the Liquidating Trustee shall identify which claims have been
15 paid by Lendlease and which remain unpaid pursuant to the terms of the Liquidating Trust
16 Agreement. The Liquidating Trust will make a distribution of an allowed Class 3(b) claim directly
17 to the subcontractor, unless it is determined that the Holder of the Class 3(b) claim was paid by
18 Lendlease. In that case, the distribution shall be paid to Lendlease.

19 Debtor anticipates paying the Lendlease Secured Claims in full from the Sale Proceeds. To
20 the extent that the Sale Proceeds are insufficient to pay the LADI Secured Claim, Lendlease
21 Secured Claims and Other Secured Claims in full, or if the Lendlease Secured Claim is otherwise
22 disputed in whole or in part, then the Lendlease Secured Claim will be subject to the Disputed
23 Creditor Reserve Treatment, as defined in Section 9(C)(4) below and will only be paid as provided
24 for in that Section, unless the parties otherwise agree.

25 *Class 4 – Other Secured Claims.* Debtor believes that there are approximately \$15,000,000
26 in other secured claims asserted against the Property, largely representing mechanics lien claimants.
27 Some creditors in Class 4 may have a senior priority lien to Class 3 or Class 4 creditors. Debtor
28 anticipates paying the Other Secured Claims in full from the Sale Proceeds. To the extent that the

1 Sale Proceeds are insufficient to pay the LADI Secured Claim, Lendlease Secured Claims and
2 Other Secured Claims in full, or if an Other Secured Claim is otherwise disputed in whole or in
3 part, then the Other Secured Claim will be subject to the Disputed Creditor Reserve Treatment, as
4 defined in Section 9(C)(4) below and will only be paid as provided for in that Section, unless the
5 parties otherwise agree.

6 Class 5 – *Reserved*. Class 6 – *Other Priority Claims*. Debtor believes that certain of its
7 employees hold Other Priority Claims that are entitled to priority under the Bankruptcy Code in the
8 approximate amount of \$205,500. Debtor anticipates paying the Holders of Other Priority Claims
9 in full from the Sale Proceeds. However, in the event that the remaining Sale Proceeds are
10 insufficient to pay the Other Priority Claims in full, then the Holder of each such Other Priority
11 Claim shall be paid *pro rata* from the remaining Sale Proceeds based on the size of each Holder's
12 Other Priority Claim. If any Other Priority Claim is disputed, in whole or in part, then such Other
13 Priority Claim will be subject to the Disputed Creditor Reserve Treatment, as defined in Section
14 9(C)(4) below and will only be paid as provided for in that Section, unless the parties otherwise
15 agree.

16 Class 7 – *General Unsecured Claims*. Debtor believes that there are approximately
17 \$176,700,000 in unsecured claims, excluding intercompany loans, in this estate.⁵ Debtor anticipates
18 making a distribution to unsecured creditors. The ultimate recovery of Holders of General
19 Unsecured Claims will depend on the Sale Proceeds generated by the Sale. Debtor believes that
20 such recovery could be high as 100% of the amount of General Unsecured Claims asserted.
21 However, the Holders of General Unsecured Claims could receive no distribution, depending on
22 the final amount of the Sale Proceeds. If any General Unsecured Claim is disputed, in whole or in
23 part, then such General Unsecured Claim will be subject to the Disputed Creditor Reserve
24 Treatment, as defined in Section 9(C)(4) below and will only be paid as provided for in that Section,
25 unless the parties otherwise agree. To the extent that any claims initially included in Class 7 are re-
26 characterized and Allowed as equity interests, they will be instead by included in Class 10 below.

27
28 ⁵ A breakdown of each of the unsecured claims is set forth in Schedule 1 to this Disclosure Statement.

1 *Class 8 – Intercompany Claims.* Debtor owes a total of approximately \$219,300,000 in
2 Intercompany Loan Claims. Debtor intends to pay Allowed Intercompany Loan Claims *in pari*
3 *passu* with the General Unsecured Claims outlined in Class 7 above. If any Intercompany Claim is
4 disputed, in whole or in part, then such Intercompany Claim will be subject to the Disputed Creditor
5 Reserve Treatment, as defined in Section 9(C)(4) below and will only be paid as provided for in
6 that Section, unless the parties otherwise agree. To the extent that any claims initially included in
7 Class 8 are re-characterized and Allowed as equity interests, they will be instead by included in
8 Class 10 below.

9 *Class 9 – Subordinated Claims.* Class 9 shall consist of all Claims that is subject to (a)
10 subordination under Section 510(b), or (b) equitable subordination, as the Bankruptcy Court
11 determines in a Final Order (“Subordinated Claims”). To date, no Claims scheduled or filed in this
12 matter are Subordinated Claims under this Class 9. If any Subordinated Claim is disputed, in whole
13 or in part, then such Subordinated Claim will be subject to the Disputed Creditor Reserve
14 Treatment, as defined in Section 9(C)(4) below and will only be paid as provided for in that Section,
15 unless the parties otherwise agree.

16 *Class 10 – Equity Holders.* The equity structure of Debtor will remain unchanged as a result
17 of the Plan and the Confirmation Order. In the event that the Sale Proceeds are sufficient to pay the
18 claims of Classes 1-9 above, any such remaining Sale Proceeds shall be distributed to Equity
19 Holders, in accordance with their interest in Debtor. Class 10 will be entitled to vote on the
20 Liquidating Chapter 11 Plan.

21 **IV. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS.**

22 **A. What Creditors and Interest Holders Will Receive Under the Plan.**

23 As required by the Bankruptcy Code, the Plan classifies claims and interests in various
24 classes according to their right to priority. The Plan states whether each class of claims or interests
25 is impaired or unimpaired. The Plan provides the treatment each class will receive, as described in
26 Section III above.

B. Unclassified Claims.

Certain types of claims are not placed into voting classes; instead, they are unclassified. They are not considered impaired, and they do not vote on the Plan because they are automatically entitled to specific treatment provided for in the Bankruptcy Code. As such, Debtor has not placed the following claims in any class:

1. DIP Facility Claims.

The DIP Facility is for the original principal amount of \$9,186,943. Debtor anticipates seeking authority to borrow an additional \$3 million dollars under the DIP Facility. Therefore, Debtor anticipates that advances under the DIP Facility will amount to no more than \$14 million, inclusive of interest, fees, costs, and other expenses. Debtor is liable to DIP Lender for all amounts borrowed, plus interest, fees, expenses and any other amounts allowed under the Final DIP Order. The DIP Facility Claim is secured by, among other things, a priming lien on the Property with priority above all other interests, except the Secured Tax Claims. Debtor anticipates paying the DIP Facility Claims in full from the Sale Proceeds upon the closing of the Sale.

2. Administrative Claims.

Administrative claims are claims for costs or expenses of administering Debtor's chapter 11 case which are allowed under Bankruptcy Code Section 507(a)(2) ("Administrative Claims"). The Bankruptcy Code requires that all allowed administrative expense claims be paid in full on the Effective Date unless a particular claimant agrees to a different treatment. The Liquidating Trustee will pay all allowed § 507(a)(2) Administrative Claims, that are not otherwise paid with the DIP Financing, either (i) on or prior to the Effective Date, or (ii) at the time such Administrative Claims are allowed by the Court or as soon thereafter as is practicable. The Liquidating Trustee will pay all such allowed Administrative Claims out of the Sale Proceeds. The Debtor anticipates that all administrative claims will be paid as of the Effective Date of the Plan and that the only claims that will accrue are those set forth in the Final DIP Order, as amended.

3. Professional Fee Claims.

Professional Fee Claims are Administrative Claims that are also Unclassified. The Court must approve all professional fees and expenses before they may be paid. For all professional fees and

1 expenses, except fees owing to the Clerk of the Bankruptcy Court and fees owing to the U.S.
2 Trustee, the professional in question must file and serve a properly noticed fee application and the
3 Court must rule on the application. Only the amount of fees and expenses allowed by the Court will
4 be required to be paid under the Plan. Much of the professional fees and expenses that will be owed
5 as Administrative Claims following Plan Confirmation will be dependent upon whether Debtor is
6 required to engage in any substantial litigation regarding Plan Confirmation, objecting to any
7 Disputed Claims, or estimating any contingent or unliquidated Claims. By voting to accept the Plan,
8 creditors are not acknowledging the validity of, or consenting to the amount of, any Administrative
9 Claims, and creditors are not waiving any of their rights to object to the allowance of any
10 administrative expense claims. Similarly, Professionals who have been employed in these cases are
11 not being deemed to have agreed to any cap on the amount of fees and expenses that they have
12 incurred or are entitled to seek to be paid pursuant to Court order. Debtor also reserves all rights to
13 file objections to any such asserted Administrative Claims.

14 **4. Priority Tax Claims.**

15 Priority tax claims include certain unsecured income, employment and other taxes described
16 by Section 507(a)(8) of the Bankruptcy Code. Section 1129(a)(9)(C) of the Bankruptcy Code
17 requires that each holder of a Section 507(a)(8) priority tax claim receive regular installment
18 payments of a total value, as of the Effective Date, equal to the allowed amount of such allowed
19 tax claims, over a period ending not later than five years after the Petition Date. Pursuant to the
20 terms of the Plan, Debtor intends to pay Allowed Priority Tax Claims in accordance with the terms
21 set forth in Section 1129(a)(9)(C). To the extent any allowed Priority Tax Claim is not due and
22 owing on the Effective Date, such Claim shall be paid as may be due in payable under applicable
23 non-bankruptcy law. Debtor is in the process of reviewing all filed priority tax claims and will file
24 objections to any of them which Debtor disputes.

25 **5. Statutory Fees.**

26 Debtor shall pay all fees due and owing to the U.S. Trustee, including quarterly fees under
27 28 U.S.C. § 1930(a), plus any interest due and payable under 31 U.S.C. § 3717 on all disbursements,
28

1 including Plan payments and disbursements in and outside the ordinary course of Debtor's business
2 at the time of Confirmation, pursuant to the applicable statutory payment schedule.

3 **C. Means of Effectuating and Implementing the Plan.**

4 1. **Funding for the Plan.** The sources of the payments to be made by the
5 Liquidating Trustee under the Plan will be from (i) the Sale Proceeds; (ii) the liquidation of all of
6 Debtor's assets not sold to the Winning Bidder, except for Sale Proceeds; (iii) Cash on hand; and
7 (iv) any Causes of Action, less any amounts required to be remitted to the Liquidating Trustee to
8 wind up the estate ("Plan Administration Assets"). Debtor asserts that it will be able to pay its
9 Unclassified Claims, and Classes 1 through 6 if proceeds of the sale of the Property exceeds \$430
10 million. A chart setting forth those assumptions is attached as **Exhibit 3** (the "Break-Even
11 Analysis"). The waterfall distribution to each class of creditors will change depending on the final
12 amount of proceeds realized from the Property.

13 2. **Sale of the Property.** The sale of the Property is crucial to the
14 consummation of the Plan. On or before the Effective Date, Debtor shall consummate the Sale, and
15 any other transactions contemplated by the Purchase and Sale Contract. Upon consummation of the
16 Sale, the Property shall be transferred and vest in the Winning Bidder (or Backup Bidder). Upon
17 entry of the Confirmation Order by the Bankruptcy Court, the Sale and Purchase and Sale Contract
18 will be deemed approved. The Sale Proceeds generated by the Sale of the Property will be used to
19 pay allowed claimholders, in the priority outlined in Section II above.

20 3. **Liquidation of Plan Administration Assets⁶.** On the Effective Date, the
21 trustee of the Liquidating Trust (the "Liquidating Trustee"), who Debtor anticipates will be Bradley
22 Sharp with Development Specialists, Inc., shall accept authority over the Plan Administration
23 Assets, which will include any Personal Property not sold to the Winning Bidder and the Post-
24 Confirmation Reserve, as Liquidating Trustee. The Liquidating Trustee may abandon or otherwise
25 not accept any assets that Liquidating Trustee believes, in good faith, have no value to the
26 administration of the Plan or the Wind Down. As of the Effective Date, all unencumbered assets
27 vested as Plan Administration Assets and all unencumbered assets dealt with in the Plan shall be

28 ⁶ A copy of the proposed Liquidating Trust will be provided with the Plan Supplement.

1 free and clear of all liens, claims, and equity interests except as otherwise specifically provided in
2 the Plan or in the Confirmation Order. Among other powers, the Liquidating Trustee shall have the
3 power to liquidate the Plan Administration Assets and use such funds to pay the holders of allowed
4 claims in the priority outlined above. The Liquidating Trust will remain in place to, among other
5 things, allow for the resolution of any priority disputes between secured creditors and to pay the
6 Priority Tax Claims over time pursuant to 11 U.S.C. § 1129(a)(9)(C)(ii).

7 **4. Transfer to the Liquidating Trust.** As of the Effective Date, all remaining
8 assets and property of Debtor will be transferred to the Liquidating Trust. For the avoidance of
9 doubt, Debtor's books and records will be included in any such transfer. The Liquidating Trust will
10 be Debtor's successor to all rights and privileges, including attorney client privilege. The
11 Liquidating Trust will be funded through either: (a) Sale Proceeds, to the extent that they are enough
12 to pay all secured Claims in full or; (b) a carve out from the holders of Secured Claims for the Post-
13 Confirmation Reserve, subject to the agreement of such secured creditors.

14 **5. Causes of Action.** Any causes of action held by the estate, if any, shall be
15 transferred to the Liquidating Trustee as of the Effective Date. The Liquidating Trustee shall have
16 the authority to assert, settle or abandon any causes of action transferred to it. In the event there is
17 any recovery on any causes of action, such amounts will be used to pay the holders of allowed
18 claims in the priority outlined in Article II above. All causes of action between the Debtor and any
19 other party pending prior to the Effective Date will be transferred to the Liquidating Trust as of the
20 Effective Date. At such time, the Liquidating Trust will be entitled to all claims, defenses, and other
21 rights and privileges accorded to the Debtor in such proceedings following their transfer. Parties
22 who are engaged in active litigation as of the Effective Date will be permitted to continue such
23 litigation in the Liquidating Trust.

24 **6. Composition of Debtor Post-Confirmation.** Following the Effective Date
25 of the Plan, Debtor will dissolve.

26 **7. Distribution Agent.** The Liquidating Trustee shall serve as the
27 disbursement agent for purposes of timely making all disbursements to be made under the Plan.
28

1 8. **Employment of Professionals by the Liquidating Trustee.** The
2 Liquidating Trustee may retain and compensate, without further order of the Bankruptcy Court, the
3 services of employees, professionals, and consultants to advise and assist in the administration,
4 prosecution, and distribution of Plan Administration Assets.

5 9. **Protocol for the Liquidation of Disputed Claims.**

6 a. *Transfer of Disputed Claims to Liquidating Trust.* If the Sale Proceeds are
7 insufficient to pay Holders of Secured Claims in full, or if a Claim is
8 otherwise Disputed, then the portion of the Sale Proceeds that would be
9 used to pay such Claims will be deposited into a blocked segregated
10 account to be maintained by the Liquidating Trust for the benefit of the
11 Holders of such Disputed Claims (the “Disputed Creditor Reserve”) with
12 all such liens, claims, encumbrances, and/or interests of the Holder of the
13 Disputed Claim to the Property attaching to the proceeds to the same order
14 and priority as they previously attached to the Property.

15 b. *Payments and Distributions on Disputed Claims.* Except as otherwise
16 provided in this Plan, a Final Order, or as agreed to by the relevant parties,
17 distributions under this Plan on account of Disputed Claims that become
18 Allowed after the Effective Date shall be made on the first day that Debtor
19 shall make payment on such claim the later of (i) on the first day that is
20 thirty (30) Business Days after such Disputed Claim becomes Allowed, in
21 whole or in part; (ii) on the day that distributions become available to
22 members of that Class; or (iii) with respect to Holders of General
23 Unsecured Claims, the day the Pro Rata Share of such Holder is
24 determined (the “Disputed Creditor Reserve Treatment”) *provided,*
25 *however,* that: (i) Disputed Administrative Claims with respect to liabilities
26 incurred by Debtor in the ordinary course of business during the Chapter
27 11 Case or assumed by Debtor on or before the Effective Date that become
28 Allowed after the Effective Date shall be paid or performed in the ordinary

1 course of business in accordance with the terms and conditions of any
2 controlling agreements, course of dealing, course of business, or industry
3 practice; and (ii) Disputed Priority Tax Claims that become Allowed
4 Priority Tax Claims after the Effective Date shall be treated as Allowed
5 Priority Tax Claims in accordance with Article II of this Plan.

6 c. The Bankruptcy Court shall retain jurisdiction over the Liquidating Trust,
7 including but not limited to the objection to claims. Debtor is in the
8 process of reviewing all timely filed proofs of claim. Prior to the Effective
9 Date, Debtor has the right to bring claim objections to resolve claims. After
10 the Effective Date, the authority to object to any Disputed Claims shall vest
11 in the Liquidating Trustee. Any such objections to Disputed Claims must
12 be brought within 120 days following the Effective Date, unless otherwise
13 ordered by the Court. Debtor or Liquidating Trust intends to file objections
14 with the Court to all Disputed Claims and to have the Court resolve all
15 such disputes unless Debtor and the claimants can reach consensual
16 resolution. Disputed Claims which are Administrative Claims that become
17 allowed after the Effective Date shall be paid in the ordinary course of
18 business in accordance with the terms and conditions of any controlling
19 agreements, course of dealing, course of business, or industry practice.
20 Disputed Claims which are Priority Tax Claims that become allowed after
21 the Effective Date shall be paid in accordance with Section 2.2 of the Plan.

22 10. **Exemption from Transfer Taxes.** Pursuant to Section 1146(a) of the
23 Bankruptcy Code, Section 11923 of the California Revenue and Tax Code and Section 21.9.6 of
24 the Los Angeles Municipal Code, the Sale, and any other transfer from Debtor to any Entity
25 pursuant to, in contemplation of, or in connection with the Plan shall not be subject to any Stamp
26 or Similar Tax or governmental assessment, and the appropriate state or local governmental
27 officials or agents shall forego the collection of any such tax or governmental assessment and shall
28 accept for filing and recordation any of the foregoing instruments or other documents without the

1 payment of any such tax or governmental assessment. For the avoidance of doubt, transfer tax shall
2 include, but not limited to, documentary transfer tax pursuant to Cal. Rev. & Tax. Code (“R&T”)
3 §11911 (West). (“County Tax”); Base City Tax pursuant to Los Angeles Municipal Code
4 (“LAMC”) § 21.9.2(a); or, ULA Tax (e.g. Mansion Tax) under LAMC § 21.9.2(b). *See also Fla.*
5 *Dep’t of Revenue v. Piccadilly Cafeterias, Inc.*, 554 U.S. 33, 47, 128 S. Ct. 2326, 2336, 171 L. Ed.
6 2d 203 (2008) (“the decision whether to transfer a given asset “under a plan confirmed” must be
7 made prior to submitting the Chapter 11 plan to the bankruptcy court, but the transfer itself cannot
8 be “under a plan confirmed” until the court confirms the plan in question. Only at that point does
9 the transfer become eligible for the stamp-tax exemption”); *In re New 118th, Inc.*, 398 B.R. 791,
10 797 (Bankr. S.D.N.Y. 2009) (Stamp tax exemption applies to post-confirmation transfer of property
11 of Chapter 11 estate that follows a preconfirmation sale if it is necessary to consummation of plan.)

12 11. **Distributions to Be Made Pursuant to the Plan.** Except as otherwise
13 provided in this Plan, a Final Order, or as agreed to by the relevant parties, distributions under the
14 Plan on account of Claims and Equity Interests Allowed on or before the Effective Date shall be
15 made on the Effective Date; *provided, however*, that: (a) Administrative Claims that are not
16 otherwise paid through the DIP Financing will be paid on or prior to the Effective Date or at such
17 time as the Administrative Claim is allowed by the Court, or as soon as reasonably practicable
18 thereafter (b) allowed Priority Tax Claims, unless otherwise agreed, shall be treated in accordance
19 with the terms set forth in Section 1129(a)(9)(C) of the Bankruptcy Code. To the extent any allowed
20 Priority Tax Claim is not due and owing on the Effective Date, such Claim shall be paid as may be
21 due and payable under applicable non-bankruptcy Law.

22 In the event that following the Auction, the expected Sale Proceeds are insufficient to pay
23 Administrative Claims in full, or if the sale of the Property does not close, Debtor will not seek
24 confirmation of the Liquidating Chapter 11 Plan.

25 “Unclaimed Property” means any distribution of cash or any other property made to the
26 holder of an allowed claim pursuant to the Plan that (a) is returned to the Liquidating Trustee as
27 undeliverable and no appropriate forwarding address is received within the later of (i) 90 days
28 after the Effective Date and (ii) 90 days after such attempted distribution by the Liquidating

Trustee is made to such holder or (b) in the case of a distribution made in the form of a check, is not negotiated within 90 days and no request for re-issuance is made. Unclaimed Property shall be donated to the American Bankruptcy Institute Endowment Fund, a not-for-profit, non-religious organization dedicated to, among other things, promoting research and scholarship in the area of insolvency.

12. **Injunctions.** The Confirmation Order will enjoin the prosecution, whether directly, derivatively, or otherwise, of any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, liability or interest released, discharged or terminated pursuant to this Plan. Except as provided in the Plan or the Confirmation Order, all entities that have held, currently hold, or may hold a claim or other debt or liability that is discharged or an interest or other right of an equity security holder are permanently enjoined from taking any of the following actions against Debtor, Liquidating Trustee, or any of their property on account of such discharged claims, debts or liabilities or extinguished interests or rights: (i) commencing or continuing, in any manner or in any place, any action or other proceeding; (ii) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree or order; (iii) creating, perfecting or enforcing any lien or encumbrance; (iv) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to Debtor; and (v) commencing or continuing any action in any manner, in any place, that does not comply with or is inconsistent with the provisions of this Plan. By accepting a distribution pursuant to this Plan, each holder of an allowed claim shall be deemed to have specifically consented to the injunctions set forth in this Section.

13. **Exculpation.** Except as otherwise specifically provided for in the Plan, (i) the Debtor; (ii) all officers, directors, and members of the Debtor in each case who are or were acting in such capacity on or after the Petition Date, (iii) all agents, attorneys, advisors, accountants, financial advisors, consultants and other professionals to the extent such parties are or were acting in any such capacity for the parties identified above on or after the Petition Date (each a “Exculpated Party”) shall not have or incur any liability for, and each Exculpated Party is hereby exculpated from, any cause of action for any claim related to any act or omission from the Petition Date to the Effective Date in connection with, relating to, or arising out of, Debtor’s Chapter 11 Case, in whole

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

1 or in part, the formulation, preparation, dissemination, and negotiation of this Plan, the Disclosure
2 Statement, any contract, instrument, release, or other agreement or document created or entered
3 into in connection with the Plan, the Disclosure Statement, the filing of this Chapter 11 case, the
4 pursuit of Plan confirmation, the administration and implementation of this Plan, the distribution
5 of payments made under this Plan or any related act, except for claims or causes of action arising
6 from an act or omission that is judicially determined in a final non-appealable order to have
7 constituted actual fraud, willful misconduct, or gross negligence, but in all respects, such
8 Exculpated Party shall be entitled to the fullest extent permitted by law to reasonably rely upon the
9 advice of counsel with respect to their duties and responsibilities. Each Exculpated Party has, and
10 upon the consummation of this Plan shall be deemed to have, participated in good faith and in
11 compliance with the applicable laws with regard to the solicitation of, and distribution of,
12 consideration pursuant to this Plan and therefore, are not, and on account of such distributions shall
13 not be liable at any time for the violation of any applicable law, rule, or regulation governing the
14 solicitation of acceptances or rejections of this Plan or such distributions made pursuant to this
15 Plan. For the avoidance of doubt, nothing in this section shall prevent any party in interest from
16 objecting to any Intercompany Loan Claim.

17 14. **Executory Contracts and Unexpired Leases.** All Executory Contracts and
18 Unexpired Leases of Debtor that are not otherwise assumed or rejected will be deemed rejected by
19 Debtor in accordance with the provisions and requirements of Sections 365 and 1123, other than
20 (i) those that are identified on the Assumption Schedule to be provided in a supplementary schedule
21 that will be provided, five (5) days prior to the deadline for parties in interest to object to the
22 Liquidating Plan (the “Assumption Schedule”); (ii) those that have been previously assumed or
23 rejected pursuant to a Final Order prior to the Effective Date; (iii) those that are the subject of a
24 motion seeking assumption or rejection as of the Effective Date; or (iv) those that are to be accepted
25 pursuant to the terms of the Plan. Each Executory Contract and Unexpired Lease assumed but not
26 assigned to a third party shall be deemed to be assigned to Debtor, and be fully enforceable by,
27 Debtor in accordance with the terms thereof, except as otherwise modified by the provisions of this
28 Plan, or by any order of the Bankruptcy Court.

1 ANY COUNTER-PARTY TO ANY OF THE ASSUMED CONTRACTS AND
2 LEASES WHO DOES NOT FILE A TIMELY OBJECTION TO PLAN CONFIRMATION
3 WILL BE DEEMED TO HAVE CONSENTED TO DEBTOR'S ASSERTED CURE
4 AMOUNTS. THE BAR DATE FOR FILING A PROOF OF CLAIM BASED ON A CLAIM
5 ARISING FROM THE REJECTION OF AN UNEXPIRED LEASE OR EXECUTORY
6 CONTRACT WHICH IS REJECTED ON THE EFFECTIVE DATE WILL BE THIRTY
7 DAYS AFTER THE EFFECTIVE DATE.

8 Debtor has elected to assume the executory contract with Arcadis Inc., the architect for the
9 Project (the "Architect") upon the confirmation of the Plan. The Architect timely filed a Proof of
10 Claim, claim number 28-1 in the amount of \$2,411,799.98 (as may be amended, stipulated to, or
11 otherwise established, the "Architect Claim Amount") for architectural services performed in
12 connection with that certain Agreement dated as of May 26, 2014, by and between Tohigh
13 Construction Investment LLC, and RTKL Associates Inc., as amended and supplemented from
14 time to time (the "Architect Agreement"). Debtor's rights to dispute the additional amount of the
15 claim is reserved if Architect's claim is amended to increase the amount of the claim from the
16 amount set forth above. The amount of any such dispute, if any, shall be reserved and transferred
17 to the Liquidating Trust (the "Potential Architect Reserve").

18 Architect owns the copyright in the Architect's instruments of service (including
19 architectural plans, specifications, designs, associated renderings, and any electronic format thereof
20 including BIM and AutoCAD) (the "Instruments of Service"), which Instruments of Service may
21 not be used in connection with the bidding or sale process without Architect's written consent.

22 Debtor has elected to assume (or assume and assign) the Architect Agreement and will cure
23 any defaults at closing (less the Potential Architect Reserve) by paying the Architect Claim Amount
24 from Sale Proceeds on the Effective Date. Upon such assumption of the Architect Agreement,
25 including payment of the Architect Cure Amount: (a) Architect shall have no duty to continue to
26 perform under the Architect Agreement (other than as set forth below), (b) Debtor (or an assignee)
27 shall have no obligation to continue to perform under the Architect Agreement post-closing, and
28 (c) Architect shall have no further pre-petition or post-petition rights, title or claims against Debtor

1 or the estate (other than its rights under the Plan, which are expressly preserved, and its rights under
2 any New Architect Agreement, if applicable).

3 Upon the cure of defaults under the Architecture Agreement as provided for herein,
4 including, without limitation, payment of the Architect Claim Amount less the Potential Architect
5 Reserve, Architect will grant a license to Debtor or a buyer of Debtor's assets if the Architect
6 Agreement is assumed and assigned to such buyer (a "Recipient Party"), which license shall (a)
7 allow such Recipient Party to use Architect's Instruments of Service created before the Petition
8 Date under the Architect Agreement and (b) be subject to the following conditions:

9 1. Any use by Debtor or Recipient Party of the Instruments of Service shall be
10 limited to and strictly comply with the permitted uses and other provisions of the Architect
11 Agreement or as otherwise agreed to by Architect in writing.

12 2. The license will be limited to the Project, non-exclusive, and subject to the uses
13 and other provisions of the Architect Agreement.

14 3. Any Recipient Party must fully indemnify and release the design team from any
15 claims by buyer and/or third parties arising out of any use or modification of the Instruments of
16 Service.

17 4. All of the design teams' logos and any identifying marks must be removed from
18 the Instruments of Service.

19 5. Any subsequent architects must seal/stamp the Instruments of Service and take on
20 responsible charge as the architect of record.

21 6. Debtor or any Recipient Party will identify Architect as the design architect.

22 Any post-petition license fee or agreement for post-petition services ("New Architect
23 Agreement") must be separately negotiated between Architect and any Recipient Party. Architect
24 agrees, however, that it is generally willing to remain as the Architect of record for the project
25 under the following terms and conditions, subject to formal documentation between Architect and
26 buyer:

1 1. The other provisions herein relating to Architect's pre-petition claim have been fully
2 complied with, including payment in full of Architect's pre-petition claim as part of the cure
3 provided for above.

4 2. Recipient Party reactivates or purchases project-specific professional liability policy
5 reasonably acceptable to Architect.

6 3. Recipient Party hires an independent, third-party forensic consultant to review the
7 project and assess the current status of the Project.

8 4. Architect and Recipient Party reaching agreement on the scope, schedule, and fees
9 for remaining services.

10 15. **Retention of Jurisdiction.** After confirmation of the Plan and occurrence
11 of the Effective Date, in addition to jurisdiction which exists in any other court, the Court will retain
12 such jurisdiction as is legally permissible including for the following purposes:

13 (a) Allow, disallow, determine, liquidate, classify, estimate, or establish the priority,
14 nature, validity, amount, or secured or unsecured status of any Claim or Equity Interest, including
15 the resolution of any request for payment and any and all objections to the allowance, classification,
16 priority or amount of Claims or Equity Interests;

17 (b) Decide and resolve all matters related to the granting and denying, in whole or in
18 part, of any applications for allowance of compensation or reimbursement of expenses to Retained
19 Professionals authorized pursuant to the Bankruptcy Code or the Plan;

20 (c) Resolve any matters related to: (i) the assumption, assumption and assignment, or
21 rejection of any Executory Contract or Unexpired Lease and to hear, determine, and, if necessary,
22 liquidate, any Cure Costs arising therefrom; (ii) any potential obligation under any Executory
23 Contract or Unexpired Lease that is assumed; (iii) Debtor's or Liquidating Trustee's amendment,
24 modification, or supplement after the Effective Date, pursuant to Article V of the Plan, of the lists
25 of Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (iv) any
26 dispute regarding whether a contract or lease is or was executory or expired;

27 (d) Ensure that distributions to Holders of Allowed Claims are carried out pursuant to
28 the provisions of the Plan;

(e) Adjudicate, decide, or resolve any motions, adversary proceedings, any other matters, and any applications involving a Debtor, that may be pending on the Effective Date;

(f) Adjudicate, decide or resolve any and all matters related to Causes of Action;

(g) Adjudicate, decide or resolve any and all matters related to Section 1141 of the Bankruptcy Code;

(h) Resolve any and all avoidance or recovery actions under Sections 105, 502(d), 542 through 551 and 553 of the Bankruptcy Code;

(i) Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the interpretation or enforcement of the Plan or Confirmation Order or any Entity's obligations incurred in connection with the Plan or Confirmation Order, including disputes arising under or in connection with any agreements, documents, or instruments executed in connection with the Plan, Assumption Schedule, or Confirmation Order;

(j) Enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan or Confirmation Order and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with this Plan or the Confirmation Order;

(k) Enter and enforce any order for the sale of property pursuant to Sections 363, 1123, or 1146(a) of the Bankruptcy Code;

(l) Adjudicate, decide, or resolve matters concerning state, local, and federal taxes in accordance with Sections 346, 505, and 1146 of the Bankruptcy Code;

(m) Grant any consensual request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to Section 365(d)(4) of the Bankruptcy Code;

(n) Enforce the injunction and exculpation provisions of the Plan, and issue injunctions, enter and implement orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with enforcement of the Plan;

(o) Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the injunctions, and other provisions contained in the Plan and enter such orders as may be necessary or appropriate to implement such, injunctions and other provisions;

(p) Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim or Equity Interest for amounts not timely repaid;

(q) Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

(r) Determine any other matters that may arise in connection with or relate to the Plan, the Confirmation Order, or any contract, instrument, release, indenture, or other agreement or document created in connection therewith;

(s) Enter an order or final decree concluding or closing the Chapter 11 Case;

(t) Adjudicate any and all disputes arising from or relating to distributions under the Plan;

(u) Consider any modifications of this Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

(v) Hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with the Plan;

(w) Hear and determine all disputes involving the existence, nature, or scope of Debtor's discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date;

(x) Enforce all orders previously entered by the Bankruptcy Court; and

(y) Hear any other matter not inconsistent with the Bankruptcy Code.

V. TAX CONSEQUENCES OF THE PLAN.

CREDITORS AND INTEREST HOLDERS CONCERNED WITH HOW THE PLAN MAY AFFECT THEIR TAX LIABILITY SHOULD CONSULT WITH THEIR OWN ACCOUNTANTS, ATTORNEYS, AND/OR ADVISORS. The following disclosure of possible tax consequences is intended solely for the purpose of alerting readers about possible tax issues the Plan may present. Debtor CANNOT and DOES NOT represent that the tax consequences contained

below are the only tax consequences of the Plan because the Internal Revenue Code, as amended (the “Tax Code”) embodies many complicated rules which make it difficult to state completely and accurately all of the tax implications of any action. Also, Debtor has not retained any special tax counsel or tax accountant to analyze any tax consequences resulting from the Confirmation of the Plan.

Although Debtor has attempted to structure the Sale in a manner which is exempt from transfer taxes, Debtor anticipates that the closing of the Sale might result in tax liability. Debtor has not performed any detailed analysis of the extent to which, if any, the confirmation of the Plan may have on any tax liability of the estate. Debtor makes no representations regarding the potential tax consequences to creditors or interest holders from the confirmation of or implementation of the Plan. Debtor has no way of knowing the tax basis of the various investments made by creditors or equity. Without that information and without knowing the final sale amount of the property, it is impossible for Debtor to know or estimate the amount of income tax that could become due on a sale. Similarly, various creditors and equity holders may be liable for taxes in foreign jurisdictions, China as just one example. To the extent that creditors or equity are paid less than the amount of their current tax basis in their claim, an incremental tax loss may be recognized upon sale of the property. Creditors and equity holders are encouraged to consult with their own tax advisors regarding the potential tax effect that could result from a sale of the property.

VI. CONFIRMATION REQUIREMENTS AND PROCEDURES.

PERSONS OR ENTITIES CONCERNED WITH CONFIRMATION OF THE PLAN SHOULD CONSULT WITH THEIR OWN ATTORNEYS BECAUSE THE LAW ON CONFIRMING A PLAN OF REORGANIZATION IS VERY COMPLEX.

The following discussion is intended solely for the purpose of alerting readers about basic confirmation issues, which they may wish to consider, as well as certain deadlines for filing claims. Debtor CANNOT and DOES NOT represent that the discussion contained below is a complete summary of the law on this topic.

A. Who May Object. Any party in interest may object to the confirmation of the Plan, even if such party in interest would not be entitled to vote to accept or reject the Plan.

1 **B. Who May Vote to Accept or Reject the Plan.** A creditor or interest holder has a
2 right to vote for or against the Plan if that creditor or interest holder has a claim or interest which
3 is both (1) allowed or allowed for voting purposes and (2) classified in an impaired class.

4 **C. What is an Allowed Claim or Interest?** As noted above, a creditor or interest
5 holder must first have an allowed claim or interest to have the right to vote. Generally, any timely
6 filed proof of claim or interest will be deemed allowed, unless a party in interest files an objection
7 to the claim or interest. When an objection to a claim or interest is filed, the creditor or interest
8 holder holding the claim or interest cannot vote unless the Court, after notice and hearing, either
9 overrules the objection or allows the claim or interest for voting purposes.

10 THE BAR DATE FOR FILING A PROOF OF CLAIM IN THIS CASE ON ACCOUNT
11 OF PRE-PETITION CLAIMS WAS JUNE 26, 2024 FOR NON-GOVERNMENTAL UNITS. The
12 bar date for filing a proof of claim in this case for governmental units is September 7, 2024. A
13 Claim shall be deemed Allowed solely for purposes of voting on the Plan unless (a) such Claim is
14 scheduled as disputed, contingent or unliquidated and no proof of claim has been timely filed or
15 (b) there is an objection with respect to such claim at least fourteen (14) days prior to the Voting
16 Deadline. Such objection will be heard by the Court at least [DATE] days prior to the Voting
17 Deadline.

18 **D. What is an Impaired Claim or Interest?**

19 As noted above, an allowed claim or interest has the right to vote only if it is in a class
20 that is impaired under the Plan. A class is impaired if the Plan alters the legal, equitable, or
21 contractual rights of the members of that class. For example, a class comprised of general
22 unsecured claims is impaired if the Plan fails to pay the members of that class 100% of what they
23 are owed.

24 Currently, Debtor believes that all Classes of creditors are impaired and entitled to vote to
25 accept or reject the Plan, except for Class 1. However, Debtor reserves the right to change the
26 treatment of such party to the extent it identifies a Winning Bidder who proposes a Purchase Price
27 sufficient to render a class unimpaired. Parties who dispute Debtor's characterization of their claim
28

1 or interest as being impaired or unimpaired may file an objection to the Plan contending that Debtor
2 has incorrectly characterized the class.

3 **E. Who is Not Entitled to Vote.** The following four types of claims are not entitled
4 to vote: (1) claims that have been disallowed; (2) claims in unimpaired classes; (3) claims entitled
5 to priority pursuant to Bankruptcy Code Sections 507(a)(2), (a)(3), and (a)(8); and (4) claims in
6 classes that do not receive or retain any value under the Plan. Claims in unimpaired classes are not
7 entitled to vote because such classes are deemed to have accepted the Plan. Claims entitled to
8 priority pursuant to Bankruptcy Code Sections 507(a)(2), (a)(3), and (a)(8) are not entitled to vote
9 because such claims are not placed in classes, and they are required to receive certain treatment
10 specified by the Bankruptcy Code. Claims in classes that do not receive or retain any value under
11 the Plan do not vote because such classes are deemed to have rejected the Plan. EVEN IF YOUR
12 CLAIM IS OF THE TYPE DESCRIBED ABOVE, YOU MAY STILL HAVE A RIGHT TO
13 OBJECT TO THE CONFIRMATION OF THE PLAN.

14 **F. Who Can Vote in More Than One Class.** A creditor whose claim has been
15 allowed in part as a secured claim and in part as an unsecured claim is entitled to accept or reject
16 the Plan in both capacities by casting one ballot for the secured part of the claim and another ballot
17 for the unsecured claim.

18 **G. Votes Necessary to Confirm the Plan.** If impaired classes exist, the Court cannot
19 confirm the Plan unless (1) at least one impaired class has accepted the Plan without counting the
20 votes of any insiders within that class, and (2) all impaired classes have voted to accept the Plan,
21 unless the Plan is eligible to be confirmed by "cramdown" on non-accepting classes, as discussed
22 below.

23 **H. Votes Necessary for a Class to Accept the Plan.** A class of claims is considered
24 to have accepted the Plan when more than one-half (1/2) in number and at least two-thirds (2/3) in
25 dollar amount of the claims which actually voted on the plan, voted in favor of the plan. A class of
26 interests is considered to have "accepted" a plan when at least two-thirds (2/3) in amount of the
27 interest-holders of such class which actually voted on the plan, voted to accept the plan.
28

1 **I. Treatment of Non-Accepting Classes.** As noted above, even if all impaired classes
2 do not accept the Plan, the Court may nonetheless confirm the Plan if the non-accepting classes are
3 treated in the manner required by the Bankruptcy Code. The process by which non-accepting
4 classes are forced to be bound by the terms of a plan is commonly referred to as "cramdown." The
5 Bankruptcy Code allows the Plan to be "crammed down" on non-accepting classes of claims or
6 interests if it meets all consensual requirements except the voting requirements of 1129(a)(8) and
7 if the Plan does not "discriminate unfairly" and is "fair and equitable" toward each impaired class
8 that has not voted to accept the Plan as referred to in 11 U.S.C. § 1129(b) and applicable case law.
9 Debtor will ask the Court to confirm the Plan by cramdown on any and all impaired classes that
10 do not vote to accept the Plan. In addition to seeking to confirm the Plan by cramdown, as set
11 forth above.

12 **J. Liquidation Analysis.**

13 Another confirmation requirement is the "Best Interest Test", which requires a liquidation
14 analysis. Under the Best Interest Test, if a claimant or interest holder is in an impaired class and
15 that claimant or interest holder does not vote to accept the Plan, then that claimant or interest holder
16 must receive or retain under the Plan property of a value not less than the amount that such holder
17 would receive or retain if Debtor was liquidated under chapter 7 of the Bankruptcy Code. Debtor's
18 Liquidation Analysis is attached as Exhibit 4.

19 In a chapter 7 case, Debtor's assets are usually sold by a chapter 7 trustee. Secured creditors
20 are paid first from the sales proceeds of properties on which the secured creditor has a lien.
21 Administrative claims are paid next. Next, unsecured creditors are paid from any remaining sales
22 proceeds, according to their rights to priority. Unsecured creditors with the same priority share in
23 proportion to the amount of their allowed claim in relationship to the amount of total allowed
24 unsecured claims. Finally, interest holders receive the balance that remains after all creditors are
25 paid, if any.

26 For the Court to be able to confirm the Plan, the Court must find that all creditors and
27 interest holders who do not accept the Plan will receive at least as much under the Plan as such
28 holders would receive under a chapter 7 liquidation of Debtor. Debtor maintains that this

1 requirement is clearly met. The biggest and most insurmountable issue is that Debtor is only able
2 to operate a sale process for the Property because of the post-petition financing being provided by
3 DTLA Lending LLC. Absent this Chapter 11 case, Debtor anticipates that its principal asset, the
4 Real Property, would either be sold by a Chapter 7 Trustee or one of its secured creditors would
5 obtain relief from the automatic stay and would proceed with a foreclosure sale. In either of these
6 events, the recovery will likely be less than the process proposed by Debtor thought the Plan.

7 First, through either a sale by a Chapter 7 Trustee or foreclosure sale, any sale to the
8 ultimate purchaser would not be exempt from transfer taxes pursuant to Section 1146(a) of the
9 Bankruptcy Code, Section 11923 of the California Revenue and Tax Code and Section 21.9.6 of
10 the Los Angeles Municipal Code. Second, in the event of a conversion of Debtor's case to chapter
11 7, a chapter 7 trustee would be appointed and would be completely unfamiliar with the Property
12 and the complexities of this case. The Chapter 7 Trustee would likely hire all new professionals
13 who would be equally unfamiliar with the Property in this Case. The result of all of that would be
14 the incurrence of an extraordinary amount of additional professional fees incurred by
15 professionals who would need to familiarize themselves with this, all of which is avoided by the
16 current professionals, who are skilled, experienced and already intimately familiar with these
17 cases, continuing with their current roles. Third, the marketing of the Property in the context of
18 a sale by a Chapter 7 Trustee or at a foreclosure sale would be significantly less robust than the
19 marketing plan already implemented by Debtor. Finally, in the event that the Property was sold
20 by the Chapter 7 Trustee, pursuant to section 326 of the Bankruptcy Code, a chapter 7 trustee
21 would be paid a significant amount of money for distributing the funds in these estates. After
22 these costs and expenses, Debtor does not believe that any funds would be available to distribute
23 to holders of unsecured claims following a liquidating of the Property.

24 In contrast, Debtor projects that Holders of Allowed General Unsecured Claims will
25 receive some distribution pursuant to the Plan, with the prospect for additional upside in the event
26 that the Purchase Price obtained through Debtor's marketing process is higher than estimated.
27 Debtor's projections are based off the progress of its marketing efforts and are subject to revision
28 depending on the amounts provided in the bids it ultimately receives for the Property. The

1 Break-Even Analysis sets forth the expected sale price that is needed to make a full distribution
2 on the LA County Tax Claim, and to the DIP Lender, LADI, Lendlease and priority creditors.

3 This option provides all creditors, including general unsecured creditors, with a vastly
4 higher recovery than they would ever receive if Debtor's case were converted to chapter 7.
5 Moreover, it may take many years for a chapter 7 trustee to administer this case and general
6 unsecured creditors would not receive any distribution during the interim. Debtor, therefore, has
7 satisfied the "best interest of creditors test" with respect to any general unsecured creditors who
8 vote to reject the Plan. Debtor also submits that the Plan provides fair and equitable treatment of
9 all classes of creditors and the greatest feasible recovery to all creditors.

10 **K. Feasibility.**

11 Another requirement for confirmation involves the feasibility of the Plan, which means that
12 confirmation of the Plan is not likely to be followed by the liquidation, or the need for further
13 financial reorganization, of Debtor.

14 There are at least two important aspects of a feasibility analysis. The first aspect considers
15 whether Debtor will have enough cash on hand on the Effective Date to pay all the claims and
16 expenses which are entitled to be paid on the Effective Date or shortly thereafter. If a sale of the
17 Property meets or exceeds the price set forth in the Break-Even Analysis, then Debtor anticipates
18 having sufficient Cash as of the Effective Date to pay such claims from the Sale of the Property. If
19 the sale of the Property is lower than the price set forth in the Break-Even Analysis, Debtor will
20 request that its secured creditors provide a carve-out sufficient to allow Debtor to pay all amounts
21 necessary to proceed in confirming the Plan and ask secured creditors to consent to payment of less
22 than the full amount of their unsecured claims. In the event that the Secured Creditor do not consent
23 to a sufficient carve-out, or Debtor is otherwise unable to pay all amounts necessary to have a
24 confirmable plan from the Sale Proceeds, Debtor will not seek confirmation of the Plan. The second
25 aspect considers whether the Reorganized Debtors will have enough cash over the life of the Plan
26 to make the required Plan payments. Pursuant to the Plan, Debtor has agreed to make payment to
27 each Class depending on the Sale Proceeds obtained through the Sale of the Property. If Debtor
28 does not have sufficient Cash on hand on the Effective Date to pay all of the claims and expenses

1 which are entitled to be paid on the Effective Date or shortly thereafter, Debtor will request that the
2 Holders of Secured Claims agree to a carve-out from their respective claims to pay such expenses.
3 In the event that the Holders of Secured Claims do not agree to such carve-out, the Effective Date
4 will not occur and Debtor will not go forward with the confirmation of this Plan. If the sale
5 proceeds exceed the break-even sales price, any other post-confirmation activities of the
6 Liquidating Trustee will be funded through Plan Administrative Assets. Debtor, therefore, has
7 satisfied this second aspect of Plan feasibility.

8 **VII. RISK FACTORS REGARDING THE PLAN.**

9 As with any sale of property, there is a risk that the ultimate sale price realized will be
10 lower than Debtor anticipates or projects. In this case, the sale of the Property may not close and
11 in that case, Debtor will not seek confirmation of the Liquidating Chapter 11 Plan. Additionally,
12 in the event the parties are unable to close on a sale of the Property with the Winning Bidder or
13 Back-Up Bidder post-confirmation, then there is a possibility that the Effective Date of the
14 Liquidating Chapter 11 Plan will not occur. There are also a large number of still contingent,
15 unliquidated and disputed claims which will ultimately have to be settled or litigated.

16 There are also many factors as it relates to the sale of undeveloped property that are
17 outside the control of Debtor. Based upon the appraisal obtained by Debtor, the discussions that
18 Debtor is having with prospective purchasers of the Property, the amount of interest in the
19 Property, and the opinions of Debtor's Professionals, Debtor believes that there will be a buyer
20 for the Property sufficient to satisfy all Administrative Claims, Secured Claims, and provide at
21 least some return for the Holders of General Unsecured Claims. Debtor also has a reasonable
22 belief there will be a robust auction.

23 **VIII. EFFECT OF CONFIRMATION OF THE PLAN.**

24 **A. Discharge.** Debtor will not receive a discharge under the Plan.

25 **B. Modification of the Plan.** Debtor reserves the right to modify the Plan any time
26 before confirmation. However, the Court may require a new disclosure statement and/or re-voting
27 on the Plan if Debtor modifies the Plan before confirmation. The Liquidating Trustee may also seek
28 to modify the Plan at any time after confirmation of the Plan so long as (1) the Plan has not been

1 substantially consummated and (2) the Court authorizes the proposed modification after notice and
2 a hearing.

3 **C. Post-Confirmation Status Reports.** Until a final decree closing Debtor's Case is
4 entered, the Liquidating Trustee will file quarterly status reports with the Court explaining what
5 progress has been made toward consummation of the confirmed Plan.

6 **D. Post-Confirmation Conversion/Dismissal.** A creditor or any other party in interest
7 may bring a motion to convert or dismiss these chapter 11 cases under Section 1112(b) of the
8 Bankruptcy Code after the Plan is confirmed if there is a default in performing the Plan. If the Court
9 orders these chapter 11 cases converted to chapter 7 after the Plan is confirmed, then all property
10 that had been property of these chapter 11 estates, and that has not been disbursed pursuant to the
11 Plan, will revert in the chapter 7 estates, and the automatic stay will be reimposed upon the reverted
12 property, but only to the extent that relief from stay was not previously authorized by the Court
13 during these cases. The Confirmation Order may also be revoked under very limited circumstances.
14 The Court may revoke the Plan Confirmation Order if it was procured by fraud and if a party in
15 interest brings an adversary proceeding to revoke confirmation within 180 days after the entry of
16 the Confirmation Order.

17 **E. Final Decree.** Once Debtor's estate has been fully administered as referred to in
18 Bankruptcy Rule 3022, the Liquidating Trustee will file a motion with the Court to obtain a final
19 decree to close this chapter 11 case. The Liquidating Trustee will be responsible for the timely
20 payment of all fees incurred pursuant to 28 U.S.C. Section 1930(a)(6) as well as any and all other
21 fees owing to the U.S. Trustee and/or the Clerk of the Court.

22
23 Dated: September 4, 2024

Respectfully submitted,

24 BRYAN CAVE LEIGHTON PAISNER LLP

25 By: /s/ Sharon Z. Weiss
26 Sharon Z. Weiss
27 Attorneys for Debtor-in-Possession
28

BRYAN CAVE LEIGHTON PAISNER LLP

Sharon Z. Weiss (State Bar No.: 169446)

sharon.weiss@bclplaw.com

120 Broadway, Suite 300

Santa Monica, CA 90401-2386

Telephone: (310) 576-2100

Facsimile: (310) 576-2200

Jarret P. Hitchings (*Admitted Pro Hac Vice*)

jarret.hitchings@bclplaw.com

One Wells Fargo Center

301 S. College Street, Suite 2150

Charlotte, NC 28202

Telephone: (704) 749-8999

Facsimile: (704) 749-8990

Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re

Oceanwide Plaza, LLC,

Debtor.

Case No. 2:24-bk-11057-DS

Chapter: 11

**DEBTOR'S SECOND AMENDED
LIQUIDATING CHAPTER 11 PLAN**

Plan Confirmation Hearing

Date: October 16, 2024

Time: 10:00 a.m.

Place: Ctrm 1634/Via Zoom

255 East Temple Street

Los Angeles, CA 90012

TABLE OF CONTENTS

INTRODUCTION	1
I DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME	1
A. Defined Terms.....	1
B. Rules of Interpretation and Computation of Time	12
II UNCLASSIFIED CLAIMS	13
A. DIP Facility Claims.....	14
B. Administrative Claims	14
C. Priority Tax Claims.....	15
D. Professional Fee Claims	16
E. Statutory Fees.....	16
III CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS.....	17
A. Classification of Claims	17
B. Class Identification.....	17
C. Treatment and Voting Rights of Claims and Equity Interests	18
D. Special Provision Governing Unimpaired Claims	24
E. Voting; Presumptions; Solicitation	24
F. Subordinated Claims	25
G. No Waiver	26
IV MEANS FOR IMPLEMENTATION OF THE PLAN	26
A. Compromise of Controversies.....	26
B. Sources of Consideration for Plan Distribution	26
C. Sale.....	26
D. Plan Administration and Wind Down	27
E. Corporate Action.....	29
F. Vesting of Assets	30
G. Exemptions from Certain Transfer Taxes and Recording Fees	30
H. Effectuating Documents; Further Transactions	31
I. Nonconsensual Confirmation.....	31
J. Closing of Chapter 11 Case.....	31
V TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES	31
A. Assumption and Rejection of Executory Contracts and Unexpired Leases.....	31
B. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases	33
C. Insurance Policies.....	35
D. Reservation of Rights.....	35
E. Nonoccurrence of the Effective Date.....	35
VI PROVISIONS GOVERNING DISTRIBUTIONS	36
A. Distribution on Account of Claims and Equity Interests Allowed as of the Effective Date.....	36
B. Distribution of Account of Claims and Equity Interest Allowed After the Effective Date.....	37

1	C.	Timing and Calculation of Amounts to Be Distributed	38
	D.	Delivery of Distributions.....	39
2	E.	Distributions by Distribution Agent.....	39
3	F.	Minimum Distributions.....	40
	G.	Undeliverable Distributions	40
4	H.	Compliance with Tax Requirements/Allocations	41
	I.	Surrender of Cancelled Instruments or Securities.....	41
5	J.	Claims Paid or Payable by Third Parties.....	42
6	VII	PROCEDURES FOR RESOLVING DISPUTED CLAIMS OR EQUITY	
7		INTERESTS.....	43
	A.	Allowance of Claims and Equity Interests.....	43
8	B.	Claims Administration Responsibility	43
	C.	Estimation of Claims and Equity Interests.....	44
9	D.	Adjustment to Claims and Equity Interests Without Objection.....	45
	E.	Disallowance of Certain Claims.....	45
10	F.	Amendments to Claims	45
11	G.	No Interest on Claims, Equity Interests, or Disputed Claims	45
12	VIII	CONDITIONS PRECEDENT TO THE EFFECTIVE DATE	46
	A.	Conditions Precedent to Confirmation of the Plan	46
13	B.	Conditions Precedent to the Effective Date	46
	C.	Waiver of Conditions Precedent	46
14	D.	Effect of Failure of Conditions Precedent.....	47
	E.	Reservation of Rights	47
15	F.	Substantial Consummation of Plan	47
16	IX	EFFECT OF CONFIRMATION	47
17	A.	Binding Effect	47
	B.	Compromise and Settlement of Claims and Controversies	48
18	C.	Injunctions.....	48
	D.	Exculpation	49
19	E.	Setoffs and Recoupment	50
20	F.	Retention of Causes of Action; Reservation of Rights	50
	G.	Release of Liens	51
21	X	RETENTION OF JURISDICTION	51
22	XI	MISCELLANEOUS PROVISIONS.....	54
23	A.	Immediate Binding Effect.....	54
	B.	Amendments	54
24	C.	Governing Law.....	55
	D.	Successors and Assigns.....	55
25	E.	Severability	55
26	F.	Controlling Document.....	55
	G.	Filing of Additional Documents	56
27	H.	Reservation of Rights	56
	I.	Service of Documents	56
28	J.	Section 1125(e) of the Bankruptcy Code.....	57

1	K.	Tax Reporting and Compliance	57
2	L.	Exhibits, Schedules and Supplements.....	57
3	M.	Entire Agreement	58
4	N.	Allocation of Payments	58

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

TABLE OF AUTHORITIES

Page(s)

Statutes

11 U.S.C. §§ 101 <i>et seq.</i>	<i>passim</i>
11 U.S.C. § 102.....	13
11 U.S.C. § 105.....	52
11 U.S.C. § 105(a)	51
11 U.S.C. § 327 through 331	10, 16
11 U.S.C. § 346.....	53
11 U.S.C. § 347(b)	41
11 U.S.C. § 363.....	10, 16, 33, 53
11 U.S.C. § 365.....	5, 6, 12, 33
11 U.S.C. § 365(a)	34
11 U.S.C. § 365(b)	36
11 U.S.C. § 365(b)(1).....	35
11 U.S.C. § 365(d)(4).....	37, 53
11 U.S.C. § 502.....	2
11 U.S.C. § 502(c)	44
11 U.S.C. § 502(d)	2, 45, 52
11 U.S.C. § 502(j)	45
11 U.S.C. § 503.....	10
11 U.S.C. § 503(b)	1
11 U.S.C. § 503(b)(2).....	10
11 U.S.C. § 503(b)(3).....	10
11 U.S.C. § 503(b)(4).....	10
11 U.S.C. § 505.....	53

1	11 U.S.C. § 505(b)	58
2	11 U.S.C. § 506	11
3	11 U.S.C. § 506(b)	46
4	11 U.S.C. § 507	1
5	11 U.S.C. § 507(a)	9
6	11 U.S.C. § 507(a)(8)	10
7	11 U.S.C. § 510	2, 27
8	11 U.S.C. § 510(b)	12, 27
9	11 U.S.C. § 522(f)	45
10	11 U.S.C. § 522(h)	45
11	11 U.S.C. § 541	2, 6
12	11 U.S.C. § 542-551	2, 45, 52
13	11 U.S.C. § 553	2, 11, 52
14	11 U.S.C. § 554	30
15	11 U.S.C. § 724(a)	2
16	11 U.S.C. § 1101(2)	48
17	11 U.S.C. § 1103	16
18	11 U.S.C. § 1122	17
19	11 U.S.C. § 1122(a)(1)	4
20	11 U.S.C. § 1123	<i>passim</i>
21	11 U.S.C. § 1123(a)(1)	14, 17
22	11 U.S.C. § 1123(b)(2)	34
23	11 U.S.C. § 1123(b)(3)	31
24	11 U.S.C. § 1124	7, 11
25	11 U.S.C. § 1125	5, 9
26	11 U.S.C. § 1125(e)	57
27		
28		

1	11 U.S.C. § 1126(b)	5, 9
2	11 U.S.C. § 1126(f)	27
3	11 U.S.C. § 1127(a)	55
4	11 U.S.C. § 1127(b)	54
5	11 U.S.C. § 1129	4, 5
6	11 U.S.C. § 1129(a)(8)	27
7	11 U.S.C. § 1129(a)(9)(C)	15, 38
8	11 U.S.C. § 1129(b)	33, 54
9	11 U.S.C. § 1141	52
10	11 U.S.C. § 1141(b)	32
11	11 U.S.C. § 1141(c)	32
12	11 U.S.C. § 1142	51
13	11 U.S.C. § 1145	5, 9
14	11 U.S.C. § 1146	53
15	11 U.S.C. § 1146(a)	32
16	11 U.S.C. § 11923	32
17	28 U.S.C. § 1930	3
18	28 U.S.C. § 1930(a)	16
19	28 U.S.C. § 2075	3
20	31 U.S.C. § 3717	16
21	Los Angeles Municipal Code § 21.9.6	32
22	Securities Act of 1933	11
23	Other Authorities	
24	Bankruptcy Rule 2002	57
25	Bankruptcy Rule 3001	10
26	Bankruptcy Rule 3012	44
27		
28		

1	Bankruptcy Rule 3018.....	5, 9, 27
2	Bankruptcy Rule 3019.....	55
3	Bankruptcy Rule 3020(e)	54
4	Bankruptcy Rule 3022.....	33
5	Bankruptcy Rule 7062.....	54
6	Bankruptcy Rule 9006(a)	4, 13
7	Bankruptcy Rule 9019.....	28, 44, 48
8	Fed. R. of Civ. P. 59.....	7
9	Fed. R. of Civ. P. 60.....	7
10	Local Rule 3022-1	33
11	Los Angeles Municipal Code Section 21.9.6.....	30
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

INTRODUCTION

Debtor Oceanwide Plaza LLC (the “Debtor” or “Oceanwide”) is a chapter 11 debtor and debtor-in-possession in the above-captioned chapter 11 case (this “Chapter 11 Case”). This case was initiated on February 13, 2024 (the “Petition Date”), by the filing of an involuntary petition for relief against Debtor (the “Involuntary Petition”) under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Central District of California (this “Court”) by Lendlease (US) Construction Inc., Standard Drywall, Inc., Star Hardware, Inc., Woodbridge Glass Inc., and Mitsubishi Electric US, Inc. (collectively, the “Petitioning Creditors”). On March 8, 2024, Debtor filed its *Answer* [ECF No. 27] to the Involuntary Petition and consented to entry of an order for relief. On March 11, 2024 (the “Relief Date”), the clerk of the Court issued the *Order for Relief* [ECF No. 29] (the “Relief Order”).

This document is Debtor’s Second Amended Liquidating Chapter 11 Plan (the “Plan”)

Chapter 11 of the Bankruptcy Code allows the debtor, and under some circumstances, creditors and other parties-in-interest, to propose a plan of reorganization. This Plan is a liquidating plan of reorganization that contemplates the sale of substantially all of Debtor’s assets. The Plan provides for the closing of a sale of Debtor’s Property, as defined below, on or before the Effective Date. After the Plan is fully administered, Debtor will be dissolved.

I DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME

A. *Defined Terms.*

The following terms shall have the respective meanings specified below when used in capitalized form in this Plan.

1. “*Administrative Claims*” means any and all requests for payment of costs or expenses of the kind specified in Section 503(b) and entitled to priority under Section 507, including, but not limited to: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estate and operating the business of Debtor; (b) Bankruptcy Fees; (c) Cure Costs; and (d) Allowed Professional Fee Claims.

2. “**Administrative Claims Bar Date**” means the first Business Day that is the 30th day after notice of entry of the Confirmation Order is filed with the Bankruptcy Court or such later date as may be established by an order of the Bankruptcy Court.

3. “**Allowed**” means, with respect to any Claim or Equity Interest: (a) any Claim or Equity Interest arising on or before the Effective Date that is (i) (A) timely filed by the applicable Bar Date or (B) as to which there exists no requirement for the Holder of such Claim to file such Claim under the Plan, the Bankruptcy Code, the Bankruptcy Rules, or a Final Order; and (ii) (A) as to which no objection to allowance, priority, or secured status, and no request for estimation or other challenge, including pursuant to Section 502(d) or otherwise, has been instituted by the applicable objection deadline, or (B) as to which any objection has been determined in favor of the respective Holder by Final Order, but only to the extent allowed by Final Order; (b) any Claim or Equity Interest that is compromised, settled, or otherwise resolved pursuant to the authority of Debtor; (c) any Claim or Equity Interest as to which the liability of Debtor, as applicable, and the amount thereof are determined by a Final Order of a court of competent jurisdiction other than the Bankruptcy Court; or (d) any Claim or Equity Interest expressly allowed hereunder; *provided, however*, that notwithstanding the foregoing, unless expressly waived by the Plan, the Allowed amount of Claims or Equity Interests shall, to the extent applicable, be subject to the limitations under or maximum amounts permitted by the Bankruptcy Code, including Sections 502 or 503.

4. “**Architect**” means Arcadis, Inc., or its successors and assigns with respect to the intellectual property rights asserted in the Instruments of Service defined in Article V(f) below.

5. “**Architect Claim**” means claim number 28-1 submitted by Arcadis, Inc.

6. “**Architect Claim Amount**” means the amount of claim number 28-1, as it may be amended, stipulated to, or otherwise established.

7. “**Assets**” means all of Debtor’s right, title, and interest of any nature in property of any kind, wherever located, including, but not limited to, as specified in Section 541.

8. “**Assumption Schedule**” means the schedule (as may be amended), if any, of Executory Contracts and Unexpired Leases (including any amendments or modifications thereto) that Debtor will assume pursuant to the Plan and which will be included in the Plan Supplement.

1 9. ***“Avoidance Actions”*** means any and all actual or potential claims and causes of
2 action to avoid a transfer of property or an obligation incurred by Debtor pursuant to any applicable
3 Section, including Sections 502, 510, 542, 544, 545, 547 through 550, 553, and 724(a), or under
4 similar or related state, federal, or foreign Law, including fraudulent transfer or voidable transaction
5 Laws.

6 10. ***“Ballot”*** means a ballot upon which certain Holders of Impaired Claims that are
7 entitled to vote may, among other things, indicate their acceptance or rejection of the Plan in
8 accordance with the Plan and the procedures governing the solicitation process, and, if applicable,
9 make such other elections as may be made thereon.

10 11. ***“Ballot Summary”*** shall mean the report describing the Ballots submitted accepting
11 or rejecting the Plan, a certification of the amount and number of Allowed Claims in each Class
12 accepting or rejecting the Plan and delineating the Ballots which do not conform to the voting
13 instructions.

14 12. ***“Bankruptcy Code”*** means title 11 of the United States Code, 11 U.S.C. §§ 101 *et*
15 *seq.*, as may be amended, as in effect on the date hereof.

16 13. ***“Bankruptcy Court”*** means the United States Bankruptcy Court for the District of
17 California, or such other court having jurisdiction over the Chapter 11 Case or any proceeding
18 within, or appeal of an order entered in, the Chapter 11 Case.

19 14. ***“Bankruptcy Fees”*** means any and all fees or charges assessed against any Estate
20 under section 1930 of title 28 of the United States Code.

21 15. ***“Bankruptcy Rules”*** means the Federal Rules of Bankruptcy Procedure,
22 promulgated under section 2075 of title 28 of the United States Code and the Official Bankruptcy
23 Forms, and the general, local, and chambers rules of the Bankruptcy Court, together with any
24 amendments made thereto subsequent to the Petition Date, to the extent that any such amendments
25 are applicable to the Chapter 11 Case.

26 16. ***“Bidding Procedures Order”*** means the Court’s Order Granting Debtor’s Motion
27 to (I) Approve Auction and Bid Procedures for the Sale of Property; (II) Scheduling an Auction
28 and Approving the Form and Manner of Notice Thereof; and (III) Granting Related Relief [ECF

No. 276] dated June 27, 2024, as amended by the Court's *Order Approving Stipulation To Modify Certain Sale Schedule Dates* [ECF No. 319] dated July 9, 2024, and as further amended by the *Modified Order Granting Debtor's Motion To (I) Approve Auction And Bid Procedures For The Sale Of Property; (II) Scheduling An Auction And Approving The Form And Manner Of Notice Thereof; And (III) Granting Related Relief* [ECF No. 374] dated July 26, 2024.

17. **"Business Day"** means any day, other than a Saturday, Sunday or a "legal holiday" (as such term is defined in Bankruptcy Rule 9006(a)).

18. **"Cash"** means the legal tender of the United States of America or the equivalent thereof.

19. **"Causes of Action"** means any and all actions, causes of action, suits, claims, Claims, interests, damages, remedies, demands, rights, debts, dues, sums of money, accounts, reckonings, rights to legal remedies, rights to equitable remedies, rights to payment, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, demands, obligations, liabilities, defenses, offsets, powers, privileges, licenses, liens, indemnities, guaranties, franchises, and trespasses of any kind or character whatsoever of or belonging to the Estate, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, reduced or not to judgment, liquidated or unliquidated, fixed,

20. **"Chapter 11 Case"** means the case pending for Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court.

21. **"Claim"** means a claim as defined in Section 101(5) against Debtor, whether or not asserted.

22. **"Claims Bar Date"** means, as applicable, the Administrative Claims Bar Date and any other date or dates to be established by an Order of the Bankruptcy Court by which Proofs of Claim must be filed.

23. **"Claims Register"** means the official register of Claims maintained by the Notice and Claims Agent.

24. **"Class"** means a group of Claims or Equity Interests classified together pursuant to Section 1122(a)(1).

- 1 25. “**Confirmation**” means the Bankruptcy Court’s entry of the Confirmation Order.
- 2 26. “**Confirmation Date**” means the date upon which the Confirmation Order is entered
- 3 on the Bankruptcy Court’s docket.
- 4 27. “**Confirmation Hearing**” means the hearing to be held by the Bankruptcy Court to
- 5 consider confirmation of the Plan under Section 1129.
- 6 28. “**Confirmation Order**” means the order of the Bankruptcy Court confirming the
- 7 Plan pursuant to Section 1129.
- 8 29. “**Consummation**” means the occurrence of the Effective Date.
- 9 30. “**Cure Cost**” means all amounts, including an amount of \$0.00, required to cure any
- 10 monetary defaults under any Executory Contract or Unexpired Lease (or such lesser amount as may
- 11 be agreed upon by the parties to an Executory Contract or Unexpired Lease) and all other
- 12 obligations required to cure any non-monetary defaults under any Executory Contract or Unexpired
- 13 Lease that is to be assumed by Debtor pursuant to Sections 365 and 1123.
- 14 31. “**Debtor**” has the meaning set forth in the introductory paragraph of this Plan.
- 15 32. “**DIP Facility Claim**” means the claim held by DTLA Lending LLC, or its
- 16 successors and assigns, under Debtor’s Debtor-in-Possession financing, as approved by the
- 17 Bankruptcy Court pursuant to the DIP Facility Order.
- 18 33. “**DIP Facility Order**” means the Final Order (I) Authorizing the Debtor to Obtain
- 19 Postpetition Financing, (II) Granting Liens and Superpriority Administrative Expense Claims, and
- 20 (III) Modifying the Automatic Stay [Dkt. 229] and any subsequent orders or amendments.
- 21 34. “**Disclosure Statement**” means the disclosure statement and the supplement to
- 22 disclosure statement, as they may be amended, modified, or supplemented from time to time, that
- 23 were provided with the Plan that was prepared and distributed in accordance with Sections 1125,
- 24 1126(b), and 1145, Bankruptcy Rule 3018, and other applicable Laws.
- 25 35. “**Disputed**” means, with respect to any Claim or Equity Interest, except as otherwise
- 26 provided herein, a Claim or Equity Interest that is not yet Allowed. To the extent Debtors dispute
- 27 only a portion of a Claim or Equity Interest, such Claim or Equity Interest shall be deemed Allowed
- 28

1 in the amount Debtors do not dispute, if any, and Disputed as to the balance of such Claims or
2 Equity Interests.

3 36. ***“Disputed Creditor Reserve Treatment”*** shall have the meaning set forth Article
4 VI(B) .

5 37. ***“Distribution Agent”*** means the Liquidating Trustee, or any Person designated by
6 the Liquidating Trustee, in the capacity as distribution agent under the Plan.

7 38. ***“Distribution Date”*** means the date on which Holders of Claims are eligible to
8 receive distributions under the Plan.

9 39. ***“Distribution Record Date”*** means the date for determining which Holders of
10 Allowed Claims are eligible to receive distributions under the Plan, which date shall be: (a) the
11 Effective Date; or (b) such other date as designated by an order of the Bankruptcy Court.

12 40. ***“Effective Date”*** means the date that is the first Business Day upon which all
13 conditions to the effectiveness of the Plan set forth in Article VIII hereof have been satisfied or
14 waived in accordance with the terms of the Plan. Upon the occurrence of such date, Debtors shall
15 file a notice with the Bankruptcy Court indicating that the Effective Date has occurred.

16 41. ***“Entity”*** means an “entity” as defined in Section 101(15).

17 42. ***“Equity Interest”*** means any issued, unissued, authorized, or outstanding shares of
18 common stock, preferred stock, membership, limited liability company interests (whether
19 certificated or uncertificated), or other instrument evidencing an ownership interest in Debtor,
20 whether or not transferable, together with any warrants, equity-based awards, or contractual rights
21 to purchase or acquire such interests at any time, and all rights arising with respect thereto that
22 existed immediately before the Petition Date.

23 43. ***“Estate”*** means the estate created for Debtor pursuant to Section 541 upon the
24 commencement of the Chapter 11 Case.

25 44. ***“Exculpated Parties”*** means each of the following in their capacities as such: (i)
26 Debtor; (ii) all officers, directors, and members of Debtor in each case who are or were acting in
27 such capacity on or after the Petition Date, (iii) all agents, attorneys, advisors, accountants, financial
28

advisors, consultants and other professionals to the extent such parties are or were acting in any such capacity for the parties identified above on or after the Petition Date.

45. ***“Executory Contract”*** means a contract or lease to which Debtor is a party that is subject to assumption, assumption and assignment, or rejection under Sections 365 or 1123.

46. ***“Final Order”*** means, an order, ruling, or judgment of the Bankruptcy Court or any other court of competent jurisdiction, as applicable, which has not been reversed, vacated, or stayed and as to which the time to appeal, petition for certiorari, or move for new trial, stay, re-argument, or rehearing has expired and as to which no appeal, petition for certiorari, or motion for new trial, stay, re-argument, or rehearing is pending, or as to which any right to appeal, petition for certiorari, move for a new trial, move for a stay, reargue, or rehear has been waived in writing in form and substance satisfactory to Debtor or, in the event that an appeal, writ of certiorari, new trial, stay, or re-argument or rehearing thereof has been sought, such order of the Bankruptcy Court or other court of competent jurisdiction (as applicable) has been determined by the highest court to which such order was appealed, or certiorari, reargument, or rehearing has been denied and the time to take any further appeal, petition for certiorari, or move for new trial, stay, re-argument, or rehearing has expired; *provided, however*, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or applicable state or provincial court rules, may be filed with respect to such order, ruling, or judgment shall not cause an order, ruling, or judgment not to be a Final Order.

47. ***“General Unsecured Claim”*** means any unsecured Claim against Debtor not otherwise provided for in the Plan, including (a) Claims arising from the rejection of Unexpired Leases and Executory Contracts to which Debtor is a party; and (b) Claims arising from any litigation or other court, administrative, or regulatory proceeding, including damages or judgments entered against, or settlement amounts owing by, Debtor related thereto.

48. ***“Governmental Unit”*** shall mean any United States national, federal, state, provincial, municipal, or local government, governmental, regulatory or administrative authority, agency, instrumentality or commission or any court, tribunal, or judicial body.

49. ***“Holder”*** means the beneficial holder of any Claim or Equity Interest.

1 50. ***“Impaired”*** means, with respect to a Claim or Equity Interest, such Claim or Equity
2 Interest that falls within a Class of Claims or Equity Interests that is impaired within the meaning
3 of Section 1124.

4 51. ***“Involuntary Petition”*** means the involuntary petition for relief against Debtor
5 submitted by the Petitioning Creditors under Chapter 11 of the Bankruptcy Code in the Bankruptcy
6 Court.

7 52. ***“LADI Secured Claim”*** means any and all Claims of Los Angeles Development
8 Inc., and its successors and assigns, against Debtor which are Secured Claims arising prior to the
9 Petition Date.

10 53. ***“Law”*** means any federal, state, local, or foreign “law” (including common law),
11 statute, code, ordinance, rule, regulation, order, ruling, or judgment, in each case, that is validly
12 adopted, promulgated, issued, or entered by a governmental authority of competent jurisdiction.

13 54. ***“Lendlease Secured Claim”*** means any and all Claims of Lendlease (US)
14 Construction Inc. (“Lendlease”) against Debtor which are Secured Claims arising prior to the
15 Petition Date. The Lendlease Secured Claim is divided into subclasses (a) and (b). Class 3(a)
16 includes the secured Claims held directly and exclusively by Lendlease, but does not include claims
17 of subcontractors to Lendlease which have been or may be assigned to Lendlease or any of its
18 affiliates. Class 3(b) includes the secured Claims held by subcontractors of Lendlease regarding
19 which Debtor and Lendlease are both liable, including Claims of subcontractors to Lendlease which
20 have been or may be assigned to Lendlease or any of its affiliates.

21 55. ***“Lien”*** means a lien as defined in Section 101(37).

22 56. ***“Liquidating Trust”*** means the trust established as of the Effective Date to, among
23 other things, (i) distribute funds to Holders of Allowed Claims; (ii) administer and liquidate the
24 Plan Administration Assets; and (iii) assert, settle or abandon any Causes of Action held by Debtor
25 as of the Effective Date pursuant to a Liquidating Trust Agreement to be included in the Plan
26 Supplement.

27 57. ***“Liquidating Trustee”*** means the trustee of the Liquidation Trust, or his, her, or its
28 successor who Debtor anticipates will be Bradley Sharp with Development Specialists, Inc.

1 58. “**Notice and Claims Agent**” means Stretto, Inc., in its capacity as noticing and
2 claims agent for Debtor.

3 59. “**Other Priority Claims**” means any and all Claims against Debtor entitled to priority
4 in right of payment under Section 507(a) that are not Administrative Claims, Priority Tax Claims,
5 or Professional Fee Claims.

6 60. “**Other Secured Claims**” means any Secured Claims against Debtor that are not
7 LADI Secured Claims, Lendlease Secured Claims or Secured Tax Claims.

8 61. “**Person**” means a “person” as defined in Section 101(41).

9 62. “**Petitioning Creditors**” shall mean Lendlease (US) Construction Inc., Standard
10 Drywall, Inc., Star Hardware, Inc., Woodbridge Glass Inc., and Mitsubishi Electric US, Inc.

11 63. “**Petition Date**” means the date the Involuntary Petition was filed.

12 64. “**Plan**” shall mean this plan of liquidation under chapter 11 of the Bankruptcy Code,
13 as it may be amended, modified, or supplemented from time to time, that is prepared and distributed
14 in accordance with Sections 1125, 1126(b), and 1145, Bankruptcy Rule 3018, and other applicable
15 Laws.

16 65. “**Plan Administration Assets**” means all of Debtor’s assets not sold to Purchaser,
17 except for Sale Proceeds.

18 66. “**Plan Documents**” means any and all documents, other than the Plan or Disclosure
19 Statement, to be executed, delivered, or performed in connection with the occurrence of the
20 Effective Date, subject to any consent rights set forth in the Plan.

21 67. “**Plan Objection Deadline**” means the deadline established pursuant to the
22 Bankruptcy Code, Bankruptcy Rules, or Order of the Court for parties to object to Confirmation of
23 the Plan.

24 68. “**Plan Supplement**” means the compilation of documents, schedules, and exhibits
25 to the Plan, and forms thereof, to be filed by Debtor no later than the Plan Supplement Filing Date,
26 as the same may be amended, modified, or supplemented.

27 69. “**Plan Supplement Filing Date**” means the date that is seven calendar days prior to
28 the Plan Objection Deadline, or such later date as is determined by Debtor.

70. ***“Potential Architect Reserve”*** means the amounts transferred to the Liquidating Trust equal to the amount any disputed portion of the Architect Claim. . Such amounts will be held by the Liquidating Trust until the dispute is resolved by Final Order, as set forth in Article III(B)(5) below.

71. ***“Priority Tax Claims”*** means any and all Claims against Debtor of the kind specified in Section 507(a)(8).

72. ***“Professionals”*** means (a) any and all professionals employed in the Chapter 11 Case pursuant to Sections 327, 328, 363, or 1103, or otherwise, and (b) any and all professionals or other Entities seeking compensation or reimbursement of expenses in connection with the Chapter 11 Case pursuant to Section 503(b)(4).

73. ***“Professional Fee Claim”*** means any Claim of a Professional seeking payment of compensation for services rendered or reimbursement of expenses incurred on or after the Petition Date and through and including the Confirmation Date, under Sections 330, 331, 503(b)(2), 503(b)(3), 503(b)(4) or 503(b)(5).

74. ***“Proof of Claim”*** means a “proof of claim,” as defined in Bankruptcy Rule 3001, or a motion or request for payment of fees, costs, or expenses made pursuant to Section 503 filed in the Chapter 11 Case.

75. ***“Property”*** means the property to be sold to Winning Bidder or the Backup Bidder, as defined in the Bidding Procedures Order, pursuant to the Purchase and Sale Contract.

76. ***“Pro-Rata Share”*** means as to a particular holder of an Allowed General Unsecured Claim, the ratio that the amount of such claim bears to the total amount of all Allowed General Unsecured Claims, following the resolution of all Disputed General Unsecured Claims. .

77. ***“Purchase and Sale Contract”*** means that certain Purchase and Sale Contract, by and between Purchaser and Winning Bidder or Back-Up Bidder, as applicable and as defined in the Bid Procedures Order, as thereafter may be amended or modified, pertaining to the Sale.

78. ***“Purchaser”*** shall mean the Person or Entity purchasing the Property pursuant to the Bidding Procedures Order and Purchase and Sale Contract.

1 79. “**Reinstated**” or “**Reinstatement**” means, with respect to Claims and Equity
2 Interests, the treatment provided for in Section 1124.

3 80. “**Relief Date**” shall mean March 11, 2024, the date that the Court issued the Relief
4 Order.

5 81. “**Relief Order**” shall mean the Order for Relief entered by the Court on the Relief
6 Date.

7 82. “**Sale**” means the sale of the Property as set forth herein and pursuant to the Purchase
8 and Sale Contract.

9 83. “**Sale Proceeds**” means the net proceeds actually received by Debtor upon the
10 closing of the Sale, less all costs and expenses arising from the sale of the Property.

11 84. “**Section**” shall refer to the applicable section of the Bankruptcy Code, unless
12 otherwise stated.

13 85. “**Secured Claim**” means any and all Claims against Debtor that (a) are secured by a
14 Lien on, or security interest in, property of Debtor, or that has the benefit of rights of setoff under
15 Section 553, which Lien or right of setoff, as the case may be, is valid, perfected, and enforceable
16 under applicable law and is not subject to avoidance under the Bankruptcy Code or applicable
17 nonbankruptcy law, but only to the extent of the value of such Holder’s interest in Debtor’s interest
18 in such property, or to the extent of the amount subject to setoff, which value shall be determined
19 as provided in Section 506, or (b) otherwise Allowed pursuant to the Plan as a Secured Claim.

20 86. “**Securities Act**” means the Securities Act of 1933, as now in effect or hereafter
21 amended, and the rules and regulations promulgated thereunder.

22 87. “**Security**” has the meaning ascribed to such term in Section 101(49).

23 88. “**Stamp or Similar Tax**” means any stamp tax, recording tax, personal property tax,
24 conveyance fee, intangibles or similar tax, real estate transfer tax, sales tax, use tax, transaction
25 privilege tax (including, without limitation, such taxes on prime contracting and owner-builder
26 sales), privilege tax (including, without limitation, privilege taxes on construction contracting with
27 regard to speculative builders and owner builders), and any other similar tax imposed or assessed
28 by any Governmental Unit.

89. ***“Statutory Fees”*** means all fees due and owing to the U.S. Trustee, including quarterly fees under 28 U.S.C. § 1930(a), plus any interest due and payable under 31 U.S.C. § 3717.

90. ***“Subordinated Claim”*** means any Claim that is subject to (a) subordination under Section 510(b), or (c) equitable subordination, as the Bankruptcy Court determines in a Final Order.

91. ***“Tax Code”*** means the Internal Revenue Code, as amended.

92. ***“Unclaimed Distribution”*** means any distribution under the Plan on account of an Allowed Claim to a Holder that has not: (a) accepted a particular distribution or, in the case of distributions made by check, negotiated such check; (b) given notice to Debtor of an intent to accept a particular distribution; (c) responded to Debtor’s request for information necessary to facilitate a particular distribution; or (d) taken any other action necessary to facilitate such distribution.

93. ***“Unexpired Lease”*** means a lease to which Debtor is a party that is subject to assumption, assumption and assignment, or rejection under Section 365.

94. ***“Unimpaired”*** means, with respect to any Claim or Equity Interest, such Claim or Equity Interest that is not Impaired.

95. ***“U.S. Trustee”*** means the United States Trustee for the Central District of California.

96. ***“Wind Down”*** means the process to wind down, dissolve, and liquidate Debtor and the Estate and distribute any of the Sale Proceeds and remaining assets in accordance with the Plan through the Liquidating Trustee.

B. *Rules of Interpretation and Computation of Time.*

(1) For purposes herein: (i) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and neuter gender; (ii) unless otherwise specified herein, any reference herein to a contract, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (iii) unless otherwise specified herein, any reference to an existing document or exhibit having been filed or to be filed shall mean that document or exhibit, as it may thereafter

be amended, modified, or supplemented; (iv) unless otherwise specified herein, all references herein to “Articles” and “Exhibits” are references to Articles and Exhibits, respectively, of the Plan; (v) the words “herein,” “hereof,” “hereunder,” and “hereto” refer to the Plan in its entirety rather than to a particular portion or section of the Plan; (vi) the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitations, and shall be deemed to be followed by the words “without limitation”; (viii) references to “shareholders,” “directors,” and/or “officers” shall also include “members” and/or “managers,” as applicable, as such terms are defined under the applicable state limited liability company Laws; (viii) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (ix) unless otherwise specified herein, the rules of construction set forth in Section 102 shall apply; (x) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (xi) references to docket numbers are references to the docket numbers of documents filed in the Chapter 11 Case under the Bankruptcy Court’s CM/ECF system; and (xii) except as otherwise provided herein, any references to the “Effective Date” shall mean the Effective Date or as soon as reasonably practicable thereafter.

(2) The provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein, unless otherwise provided for herein.

(3) All references in this Plan to monetary figures refer to currency of the United States of America, unless otherwise expressly provided.

(4) Any immaterial effectuating provision may be interpreted by Debtor in a manner that is consistent with the overall purpose and intent of the Plan without further Final Order of the Bankruptcy Court.

II UNCLASSIFIED CLAIMS

In accordance with Section 1123(a)(1), Administrative Claims, Priority Tax Claims and Professional Fee Claims have not been classified and are thus excluded from the Classes of Claims and Equity Interests Set forth in Article III of the Plan Below.

1 A. *DIP Facility Claims.*

2 Unless otherwise agreed to by the Holder of an Allowed DIP Facility Claim and Debtor,
3 each Holder of an Allowed DIP Facility Claim shall receive in full and final satisfaction, settlement,
4 and release of and in exchange for its Allowed DIP Facility Claim, an amount of Cash equal to the
5 unpaid portion of such Allowed DIP Facility Claim on the date the Sale is closed unless the Sale
6 Proceeds are less than the amount needed to pay the Allowed Secured Tax claims and the Allowed
7 DIP Facility Claims in full, and in such circumstances, the amount of the Sale Proceeds not
8 necessary to pay the Allowed Secured Tax Claim in full shall be paid to the Holder of an Allowed
9 DIP Facility Claim pursuant to the DIP Facility Order.

10 B. *Administrative Claims.*

11 (1) Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and
12 Debtor, each Holder of an Allowed Administrative Claim (except with respect to Priority Tax
13 Claims, Professional Fee Claims, and Statutory Fees) shall receive in full and final satisfaction,
14 settlement, and release of and in exchange for its Allowed Administrative Claim, an amount of
15 Cash equal to the unpaid portion of such Allowed Administrative Claim: (i) if such Administrative
16 Claim is Allowed on or prior to the Effective Date, on the Effective Date (or, if not then due, when
17 such Administrative Claim is due or as soon as reasonably practicable thereafter); (ii) if such
18 Administrative Claim is Allowed after the Effective Date, on the date that such order determining
19 and allowing such Administrative Claim becomes a Final Order or as soon as reasonably practicable
20 thereafter; or (iii) at such other time and upon such other terms as set forth in a Final Order of the
21 Bankruptcy Court.

22 (2) All requests for payment of an Administrative Claim (other than Professional Fee
23 Claims, Statutory Fees, or Administrative Claims that are not disputed and arose in the ordinary
24 course of business) that accrued on or before the Effective Date must be filed with the Bankruptcy
25 Court and served on Debtor no later than the Administrative Claims Bar Date. Holders of
26 Administrative Claims (other than Professional Fee Claims) that are required to, but do not, file
27 and serve a request for payment of such Administrative Claims by the Administrative Claims Bar
28 Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims

1 against Debtor, or the Estate, and such Administrative Claims shall be deemed compromised,
2 settled, and released as of the Effective Date.

3 (3) Debtor, in its sole and absolute discretion, may settle Administrative Claims in the
4 ordinary course of business without further Bankruptcy Court approval. Debtor may also object to
5 any Administrative Claim no later than 45 days after the Administrative Claims Bar Date, subject
6 to: (i) any extensions granted by the Bankruptcy Court, (i) the agreement in writing of Debtor and
7 the Holder of such Administrative Claim, or (iii) on motion of a party in interest approved by the
8 Bankruptcy Court. Unless Debtor, the Liquidating Trustee, or other party with standing, objects to
9 a timely filed and properly served Administrative Claim, a timely filed and properly served
10 Administrative Claim shall be deemed Allowed in the amount requested. In the event that Debtor
11 or the Liquidating Trustee objects to an Administrative Claim, the parties thereto may confer to
12 attempt to settle such objection and, in the event that such settlement attempts fail, shall file a
13 motion with the Bankruptcy Court to determine whether such Administrative Claim should be
14 allowed and, if so, in what amount.

15 C. *Priority Tax Claims*

16 Except to the extent that each Holder of an Allowed Priority Tax Claim agrees to less
17 favorable treatment, in full and final satisfaction, settlement, and release of and in exchange for
18 each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated
19 in accordance with the terms set forth in Section 1129(a)(9)(C); *provided however*, that Debtor or
20 the Liquidating Trustee shall have the right to pay any Allowed Priority Tax Claim, or any unpaid
21 balance thereof, in full at any time on or after the Effective Date, without incurring premium or
22 penalty. To the extent any allowed Priority Tax Claim is not due and owing on or before the
23 Effective Date, such Claim shall be paid in accordance with the terms of any agreement between
24 Debtor and the Holder of such Claim, which such Allowed Priority Tax Claim becomes due and
25 payable under applicable non-bankruptcy Law, or in the ordinary course of business. In the event
26 that an Allowed Priority Tax Claim is also a Secured Claim, such Claim shall, to the extent it is
27 Allowed, be treated as an Other Secured Claim if such Claim is not otherwise paid in full.

D. *Professional Fee Claims*

(1) All final requests for payment of Professional Fee Claims must be filed no later than the Administrative Claims Bar Date. After notice and hearing, the Allowed amounts of such Professional Fee Claims shall be determined by the Bankruptcy Court.

(2) Unless otherwise agreed to by the Holder of an Allowed Professional Fee Claim and Debtor, as applicable, to the extent an Allowed Professional Fee Claim has not already been paid in full or otherwise satisfied during the Chapter 11 Case, each Holder of an Allowed Professional Fee Claim shall receive in full and final satisfaction, settlement, and release of and in exchange for of its Allowed Professional Fee Claim an amount of Cash equal to the unpaid portion of such Allowed Professional Fee Claim within five Business Days of entry of an Order approving such Professional Fee Claim, or as soon as reasonably practical thereafter.

(3) Except as otherwise specifically provided herein, on and after the Confirmation Date, Debtor shall pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to the implementation of the Plan and Consummation incurred by Debtor after the Confirmation Date in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court. Debtor shall pay, within ten Business Days, or as soon as reasonably practical thereafter, after submission of a detailed invoice to Debtor, such reasonable Claims for compensation or reimbursement of expenses incurred by Debtor's Professionals. From and after the Confirmation Date, any requirement that Professionals comply with Sections 327 through 331, 363, and 1103 in seeking retention or compensation for services rendered after such date shall terminate, and Debtor may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

E. *Statutory Fees*

Debtor shall pay all Statutory Fees on all disbursements, including Plan payments and disbursements in and outside the ordinary course of Debtor's business at the time of Confirmation, pursuant to the applicable statutory payment schedule. On and after the Effective Date, to the extent that the Chapter 11 Case remains open, and for so long as the Liquidating Trustee remains obligated to pay such quarterly fees, the Liquidating Trustee shall pay such applicable fees as they become

due in the ordinary course of business until the Bankruptcy Court enters a final decree in the Chapter 11 Case.

III CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS

A. *Classification of Claims*¹

The Plan constitutes a chapter 11 plan for Debtor, and the classification of Claims and Equity Interests set forth herein shall apply to Debtor. In accordance with Section 1123(a)(1), Debtors have not classified DIP Facility Claims, Administrative Claims, Priority Tax Claims, and Professional Fee Claims, as described in Article II above.

The categories of Claims and Equity Interests listed below classify Claims and Equity Interests for all purposes, including for purposes of voting, Confirmation, and distribution pursuant to the Plan and pursuant to Sections 1122 and 1123(a)(1). A Claim or Equity Interest shall be deemed classified in a particular Class only to the extent that such Claim or Equity Interest qualifies within the description of such Class and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Equity Interest qualifies within the description of such different Class.

The classification and the manner of satisfying all Claims under the Plan take into consideration: (a) the existence of guarantees or alleged guarantees by Debtor of obligations of other Affiliates or Entities, if any; and (b) that Debtor may be joint obligors with other Affiliates or Entities with respect to the same obligation.

B. *Class Identification*

The following chart represents the classification of Claims and Equity Interests for Debtor pursuant to the Plan:

Class	Claims and Equity Interests	Status	Voting Rights
Class 1	Secured Tax Claims	Not Impaired	No
Class 2	LADI Secured Claims	Impaired	Yes
Class 3	Lendlease Secured Claims	Impaired	Yes
Class 4	Other Secured Claims	Impaired	Yes

¹ Debtor reserves the right to separately classify Claims to the extent necessary to comply with any requirements under the Bankruptcy Code or applicable Law.

Class 5	Reserved	Not Impaired	No
Class 6	Other Priority Claims	Impaired	Yes
Class 7	All General Unsecured Claims	Impaired	Yes
Class 8	Intercompany Claims	Impaired	Yes
Class 9	Subordinated Claims	Impaired	Yes
Class 10	Equity Interests	Impaired	Yes

C. *Treatment and Voting Rights of Claims and Equity Interests*

Except to the extent that Debtor and a Holder of an Allowed Claim or Allowed Equity Interest, as applicable, agree to less favorable treatment, such Holder shall receive under the Plan the treatment described below in full and final satisfaction, settlement, and release of, and in exchange for, such Holder's Allowed Claim or Allowed Equity Interest. Unless otherwise indicated herein, the Holder of an Allowed Claim or Allowed Equity Interest, as applicable, shall receive such treatment on the Effective Date, except as otherwise provided in and subject to Article VII below, or, if payment is not due, in accordance with its terms in the ordinary course.

(1) *Class 1 – Secured Tax Claims*

(a) *Classification:* Class 1 consists of the Holders of tax claims which are secured by tax liens on the Property ("Secured Tax Claims").

(b) *Treatment:* Except to the extent that a Holder of an Allowed Secured Tax Claim agrees to less favorable treatment, in exchange for full and final satisfaction, settlement, and release of each Secured Tax Claim, each Holder of such Allowed Secured Tax Claim shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets up to the full amount of its Claim on or as soon as reasonably practicable after (1) the Effective Date, (2) the date on which such other Secured Tax Claim becomes an Allowed Secured Tax Claim, or (3) such other date as may be ordered by the Bankruptcy Court.

(c) *Impairment and Voting:* Class 1 is not impaired and not entitled to vote to accept or reject the Plan.

(2) *Class 2 – LADI Secured Claims*

(a) *Classification:* Class 2 consists of the LADI Secured Claim.

(b) *Treatment:* Except to the extent that a Holder of the Allowed LADI Secured Claim agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for the LADI Secured Claim, each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after the Allowed Secured Tax Claims and Allowed DIP Facility Claim are paid in full, following the payment of all or any portion of the Allowed Lendlease Secured Claims and/or Allowed Other Secured Claims which a court of competent jurisdiction has ruled has priority over any portion or all of any Allowed LADI Secured Claim in a Final Order, up to the full amount of the unpaid portion of such Allowed LADI Secured Claim, on the later of: (A) the Effective Date; (B) the date calculated pursuant to the Disputed Creditor Reserve Treatment, as defined in Article VI(B), if applicable; and (C) at such other time as Debtor and such Holder agree or have agreed.

(c) *Impairment and Voting:* Class 2 is Impaired and entitled to vote to accept or reject the Plan.

(3) *Class 3 – Lendlease Secured Claims*

(a) *Classification:* Class 3 consists of all Lendlease Secured Claims.

(b) *Sub-Classes:* Class 3 is divided into two sub-classes. Class 3(a) includes the secured Claims held directly by Lendlease. Class 3(b) includes the Secured Claims held by subcontractors of Lendlease for which Debtor and Lendlease are both liable, including Claims of subcontractors to Lendlease which have been or may be assigned to Lendlease or any of its affiliates.

(c) *Treatment.* Except to the extent that a Holder of the Allowed Lendlease Secured Claim in Classes 3(a) or 3(b) agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in

exchange for the Lendlease Secured Claims in Classes 3(a) and 3(b), each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after the Allowed Secured Tax Claims and Allowed DIP Facility Claim are paid in full, following the payment of all or any portion of the Allowed LADI Secured Claim and/or Allowed Other Secured Claims which a court of competent jurisdiction has ruled has priority over any portion or all of any Allowed Lendlease Secured Claims in a Final Order, up to the full amount of the unpaid portion of such Allowed Lendlease Secured Claim, on the later of: (A) the Effective Date; (B) the date calculated pursuant to the Disputed Creditor Reserve Treatment, as defined in Article VI(B), if applicable; and (C) at such other time as Debtor and such Holder agree or have agreed.

(d) *Duplicative Claims*: The Liquidating Trust will make a distribution of an Allowed Class 3(b) claim directly to the Holder, unless it is determined, pursuant to the terms set forth in the Liquidating Trust Agreement, that the Holder of the Class 3(b) claim was paid by Lendlease. In the event the Holder of the Class 3(b) Claim was paid by Lendlease (US) Construction Inc., the Liquidating Trust will make the distribution of such Allowed Claim to Lendlease (US) Construction Inc.

(e) *Impairment and Voting*: Class 3 is Impaired and entitled to vote to accept or reject the Plan.

(4) *Class 4 – Other Secured Claims*

(a) *Classification*: Class 4 consists of all Other Secured Claims.

(b) *Treatment*: Except to the extent that a Holder of the Allowed Other Secured Claim agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for the Other Secured Claims, each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after the Allowed

Secured Tax Claims and Allowed DIP Facility Claim are paid in full, following the payment of all or any portion of the Allowed LADI Secured Claim and/or Allowed Lendlease Secured Claims which a court of competent jurisdiction has ruled has priority over any portion or all of any Allowed Other Secured Claim in a Final Order, up to the full amount of the unpaid portion of such Allowed Other Secured Claim, on the later of: (A) the Effective Date; (B) the date calculated pursuant to the Disputed Creditor Reserve Treatment, as defined in Article VI(B), if applicable; and (C) at such other time as Debtor and such Holder agree or have agreed.

(c) *Treatment:* Class 4 is Impaired and entitled to vote to accept or reject the Plan.

(5) *Class 5- Reserved*

(6) *Class 6 - Other Priority Claims*

(a) *Classification:* Class 6 consists of all Other Priority Claims.

(b) *Treatment:* Except to the extent that a Holder of an Other Priority Claim agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for each Other Priority Claim, each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after the Secured Tax Claims, LADI Secured Claims, Lendlease Secured Claims, Other Secured Claims, Administrative Claims, Priority Tax Claims, Professional Fee Claims, and Statutory Fees are paid in full, up to the full amount of the unpaid portion of such Other Priority Claim on the later of: (A) the Effective Date; (B) the date calculated pursuant to the Disputed Creditor Reserve Treatment, as defined in Article VI(B), if applicable; and (C) at such other time as Debtor and such Holder agree or have agreed.

(c) *Treatment:* Class 6 is Impaired and entitled to vote to accept or reject the Plan.

(7) *Class 7 – All General Unsecured Claims*

(a) *Classification:* Class 6 consists of all General Unsecured Claims.

(b) *Treatment:* Except to the extent that a Holder of a General Unsecured Claim agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for each General Unsecured Claim, each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after the Secured Tax Claims, LADI Secured Claims, Lendlease Secured Claims, Other Secured Claims, Other Priority Claims, Administrative Claims, Priority Tax Claims, Professional Fee Claims, and Statutory Fees are paid in full, up to the full amount of the unpaid portion of such General Unsecured Claim on the later of: (A) the Effective Date; (B) the date calculated pursuant to the Disputed Creditor Reserve Treatment, as defined in Article VI(B), if applicable; and (C) at such other time as Debtor and such Holder agree or have agreed. To the extent that any claims initially included in Class 7 are re-characterized and Allowed as equity interests, they will be instead by included in Class 10 below.

(c) *Treatment:* Class 7 is Impaired and entitled to vote to accept or reject the Plan.

(8) *Class 8 – Intercompany Claims.*

(a) *Classification:* Class 8 consists of all Claims held by Debtor's parents or affiliates ("Intercompany Loan Claims").

(b) *Treatment:* Except to the extent that a Holder of a Intercompany Loan Claim agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for each Intercompany Claim, each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after the Secured Tax Claims, LADI Secured Claims, Lendlease Secured Claims, Other Secured Claims, Other

Priority Claims, Administrative Claims, Priority Tax Claims, Professional Fee Claims, and Statutory Fees are paid in full, up to the full amount of the unpaid portion of such Intercompany Claim on the later of: (A) the Effective Date; (B) the date calculated pursuant to the Disputed Creditor Reserve Treatment, as defined in Article VI(B), if applicable; and (C) at such other time as Debtor and such Holder agree or have agreed. The Holders of Allowed Intercompany Claims shall be paid *in pari passu* with Holders of Allowed General Unsecured Claims outlined in Class 7 above. To the extent that any claims initially included in Class 8 are re-characterized and Allowed as equity interests, they will be instead by included in Class 10 below.

(c) *Treatment:* Class 8 is Impaired and entitled to vote to accept or reject the Plan

(9) *Class 9 – Subordinated Claims*

(a) *Classification:* Class 9 consists of all Subordinated Claims.

(b) *Treatment:* Except to the extent that a Holder of a Subordinated Claim agrees to less favorable treatment, in full and final satisfaction, compromise and settlement, and release of an in exchange for each Subordinated Claim, each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after each Class with priority over such Subordinated Claim according to the Final Order which found that such Claim was a Subordinated Claim on the later of: (A) the Effective Date; (B) the date calculated pursuant to the Disputed Creditor Reserve Treatment, as defined in Article VI(B), if applicable; or (C) at such other time as Debtor and such Holder agree or have agreed.

(10) *Class 10 – Equity Interests*

(a) *Classification:* Class 10 consists of all Equity Interests.

(b) *Treatment:* Except to the extent that a Holder of an Equity Interest agrees to less favorable treatment, in full and final satisfaction, compromise,

1 settlement, and release of and in exchange for each Equity Interest, each
2 Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan
3 Administration Assets remaining after the Secured Tax Claims, LADI
4 Secured Claims, Lendlease Secured Claims, Other Secured Claims, Other
5 Priority Claims, Administrative Claims, Priority Tax Claims, Professional
6 Fee Claims, Statutory Fees, and General Unsecured Claims are paid in full,
7 on the later of: (A) the Effective Date; or (B) at such other time as Debtor
8 and such Holder agree or have agreed.

9 D. *Special Provision Governing Unimpaired Claims*

10 To the extent that Debtor later amends this Plan to note that one or more of the Classes
11 identified above are Unimpaired, except as otherwise expressly provided herein, nothing in the Plan
12 shall affect Debtor's rights with respect to any Unimpaired Claim, including, but not limited to, all
13 rights to legal and equitable defenses, setoffs or recoupments against any such Unimpaired Claim.

14 E. *Voting; Presumptions; Solicitation*

15 (1) *Acceptance by Certain Impaired Classes.* Only Holders of Allowed Claims in
16 Impaired Classes are entitled to vote to accept or reject the Plan. An Impaired Class of Claims shall
17 have accepted the Plan if: (i) the Holders of at least 66.6% in amount of the Allowed Claims actually
18 voting in such Class have voted to accept the Plan and (ii) the Holders of more than one half (1/2)
19 in number of the Allowed Claims actually voting in such Class have voted to accept the Plan.
20 Currently, all Classes, except for Class1, are Impaired and have received, or will receive, Ballots
21 containing detailed voting instructions. Debtor reserves the right to amend this Plan to designate
22 certain Classes as Unimpaired in the event that a Purchase and Sale Contract is executed which, if
23 closed, result in one or more of the Classes identified above being unimpaired prior to the
24 submission of the Ballot Summary.

25 (2) *Conclusively Presumed Acceptance by Unimpaired Classes.* In the event that this
26 Plan is amended to demonstrate that one or more Classes are Unimpaired, holders of such
27 Unimpaired Claims shall be conclusively presumed to accept the Plan pursuant to Section 1126(f)
28

1 of the Bankruptcy Code. Accordingly, such Holders are not entitled to vote to accept or reject the
2 Plan and the vote of such Holder shall not be solicited or included in the Ballot Summary.

3 (3) *Controversy Concerning Impairment.* If a controversy arises as to whether any
4 Claims or Equity Interests, or any Class thereof, is Impaired, the Bankruptcy Court shall, after
5 notice and a hearing, determine such controversy on or before the Confirmation Date.

6 (4) *Elimination of Classes.* To the extent applicable, any Class that does not contain any
7 Allowed Claims or any Claims temporarily allowed for voting purposes under Bankruptcy Rule
8 3018, as of the date of the commencement of the Confirmation Hearing, shall be deemed to have
9 been deleted from this Plan, for purposes of determining whether such Class has accepted or
10 rejected this Plan under Section 1129(a)(8) of the Bankruptcy Code.

11 F. *Subordinated Claims.*

12 The allowance, classification, and treatment of all Allowed Claims and Equity Interests,
13 and their respective distributions and treatments under the Plan, shall take into account and confirm
14 the relative priority and rights of the Claims and Equity Interests in each Class in connection with
15 any contractual, legal, and equitable subordination rights relating thereto, whether arising under the
16 general principles of equitable subordination, Section 510(b), or otherwise. All Claims and all rights
17 and claims between or among Holders of Claims relating in any manner whatsoever to distributions
18 on account of Claims or Equity Interests, based upon any claimed subordination rights, whether
19 asserted or unasserted, legal or equitable, shall be deemed satisfied by the distributions under the
20 Plan to Holders of Claims having such subordination rights, and such subordination rights shall be
21 deemed waived, released, and terminated as of the Effective Date. Except as otherwise specifically
22 provided for in the Plan, distributions to the Classes of Claims hereunder shall not be subject to levy,
23 garnishment, attachment, or any other such similar legal process by any Holder of a Claim by reason
24 of any subordination rights or otherwise, so that each Holder of a Claim shall have and receive the
25 benefit of the distributions in the manner set forth in the Plan. Pursuant to Section 510 of the
26 Bankruptcy Code, except where otherwise provided herein, Debtor reserves the right to seek to
27 reclassify any Allowed Claim or Equity Interest, following notice and a hearing and by Final Order
28

1 of the Court in accordance with any contractual, legal, or equitable subordination rights relating
2 thereto.

3 G. *No Waiver.*

4 Nothing contained in this Plan shall be construed to waive a Debtor's or other Entity's right
5 to object on any basis to any Claim or Lien, including after the Effective Date.

6 **IV MEANS FOR IMPLEMENTATION OF THE PLAN**

7 A. *Compromise of Controversies*

8 Pursuant to Section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in
9 consideration for the classifications, distributions, and other benefits provided under the Plan, upon
10 the Effective Date, the provisions of the Plan shall constitute a good faith compromise and
11 settlement of all Claims, Equity Interests, Causes of Action, and controversies resolved under the
12 Plan, and shall be deemed a motion to approve such good-faith compromise and settlement, and
13 the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such
14 compromise and settlement under Bankruptcy Rule 9019, as well as a finding by the Bankruptcy
15 Court that such settlement and compromise is fair, equitable, reasonable, and in the best interests
16 of Debtor and the Estate. Subject to Article VII below, all distributions made to Holders of
17 Allowed Claims and Allowed Equity Interests (as applicable) in any Class are intended to be and
18 shall be final.

19 B. *Sources of Consideration for Plan Distribution*

20 Debtor shall fund distributions under the Plan with the Sale Proceeds, Plan Administration
21 Assets, and Cash on hand. Cash payments to be made pursuant to the Plan will be made by Debtor
22 or the Liquidating Trustee.

23 C. *Sale.*

24 (1) After Confirmation, Debtor shall consummate the Sale, and any other transactions
25 contemplated by the Purchase and Sale Contract. Upon consummation of the Sale, the Property
26 shall be transferred and vest in Purchaser, pursuant to the terms of the Purchase and Sale Contract,
27 the Plan, and Confirmation Order. Upon entry of the Confirmation Order by the Bankruptcy Court,
28 the Sale and Purchase and Sale Contract will be deemed approved, all matters provided for under

the Purchase and Sale Contract and any related documentation will be deemed authorized and approved without any requirement of further act or action and Debtor will be authorized to execute and deliver, and to Consummate the transactions contemplated by, the Purchase and Sale Contract and any related documentation, as well as to execute, deliver, file, record, and issue any notes, documents (including UCC financing statements), or agreements in connection therewith, without further notice to or order of the Bankruptcy Court, act or action under applicable Law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

(2) Prior to, on, or as soon as reasonably practicable after the Effective Date, Debtor may take all actions as may be reasonably necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan or any Plan Supplement, including: (i) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any property, right, liability, duty or obligation on terms consistent with the terms of the Plan; and (ii) all other actions that Debtor reasonably determines are necessary or appropriate.

D. *Plan Administration and Wind Down*

(1) On the Effective Date, and subject to the terms of the Liquidating Trust Agreement, the Liquidating Trustee shall accept authority over the Plan Administration Assets as a plan administration officer; *provided however*, that that the Liquidating Trustee may abandon or otherwise not accept any assets that the Liquidating Trustee believes, in good faith, have no value to the administration of the Plan or the Wind Down. As of the Effective Date, all assets vested as Plan Administration Assets and all unincumbered assets dealt with in the Plan shall be free and clear of all Liens, Claims, and Equity Interests except as otherwise specifically provided in the Plan or in the Confirmation Order

(2) The powers, rights, and responsibilities of the Liquidating Trustee shall include the authority and responsibility to: (i) receive, manage, invest, supervise, and protect the Plan Administration Assets; (ii) pay taxes or other obligations incurred by the Estate after the Effective Date; (iii) retain and compensate, without further order of the Bankruptcy Court, the services of employees, professionals, and consultants to advise and assist in the administration, prosecution,

1 and distribution of Plan Administration Assets; (iv) calculate and implement distributions of Plan
2 Administration Assets; (v) assert, settle, and abandon retained Causes of Action; (vi) resolve issues
3 involving Claims and Equity Interests; (vii) liquidate the Plan Administration Assets in a
4 commercially reasonable manner, and (viii) perform such other duties and functions that are
5 consistent with the implementation of the Plan and undertake all administrative functions of the
6 Chapter 11 Case, including the ultimate closing of the Chapter 11 Case. The Liquidating Trustee is
7 the successor to Debtor, the Estate, and Debtor's rights to books and records and to all of Debtor's
8 rights and privileges, including attorney client privilege. The Liquidating Trustee shall be
9 authorized pursuant to Section 554, in its sole discretion without any further notice to any party or
10 action, order or approval of the Bankruptcy Court, to abandon, dispose of, or destroy in any
11 commercially reasonable manner all originals or copies of any documents, books and records,
12 including any electronic records, of Debtor which the Liquidating Trustee reasonably concludes
13 are burdensome or of inconsequential value and benefit five (5) years following the Effective Date,
14 so long as such documents are no longer subject to any pending litigation hold.

15 (3) On the Effective Date, the Liquidating Trustee shall also have the power, right, and
16 responsibility to conduct the Wind Down and to take possession of all books, records, and files of
17 Debtor and the Estate and provide for the retention and storage of such books, records, and files
18 until such time as the Liquidating Trustee determines that retention of same is no longer necessary
19 or required. The Liquidating Trustee is authorized and empowered to effect the dissolution of
20 Debtor as soon as practicable after the Effective Date, but after the Plan Administration Assets are
21 liquidated, without the need for any company action or approval, and neither Debtor nor the
22 Liquidating Trustee shall be required to pay any taxes or fees to cause such dissolution. On the
23 Effective Date, the Liquidating Trustee shall Wind Down the affairs of Debtor and file final tax
24 returns for Debtor. The Liquidating Trustee shall be authorized to file on behalf of Debtor and any
25 non-Debtor Affiliates, certificates of dissolution and any and all other corporate and company
26 documents necessary to effectuate the Wind Down without further action under applicable law,
27 regulation, order, or rule, including any action by the stockholders, members, the board of directors,
28 or similar governing body of Debtor.

(4) Debtor shall indemnify and hold harmless the Liquidating Trustee solely in its capacity as such for any losses incurred in such capacity, except to the extent such losses were the result of the Liquidating Trustee's gross negligence, willful misconduct, or criminal conduct.

(5) From and after the Effective Date, assertion, settlement, or abandonment of all retained Causes of Action shall be the sole responsibility of the Liquidating Trustee pursuant to the Plan and the Confirmation Order. From and after the Effective Date, the Liquidating Trustee shall have exclusive rights, powers, and interests of the Estate to assert, settle, or abandon such retained Causes of Action as the sole representative of the Estate pursuant to Section 1123(b)(3) of the Bankruptcy Code. All such retained Causes of Action are reserved and preserved. All causes of action between the Debtor and any other party pending prior to the Effective Date will be transferred to the Liquidating Trust as of the Effective Date. At such time, the Liquidating Trust will be entitled to all claims, defenses, and other rights and privileges accorded to the Debtor in such proceedings following their transfer. Parties who are engaged in active litigation as of the Effective Date will be permitted to continue such litigation in the Liquidating Trust.

(6) All reasonable expenses incurred by the Liquidating Trustee, if any, shall be the responsibility of the Estate and paid from Plan Administration Assets or Sale Proceeds.

E. *Corporate Action.*

(1) On the Effective Date, all actions contemplated by the Plan, any Plan Supplement, and the Purchase and Sale Contract shall be deemed authorized and approved in all respects, and all such actions taken or caused to be taken shall be deemed to have been authorized and approved by the Bankruptcy Court. All matters provided for in the Plan involving the corporate structure of Debtor and any corporate action required by Debtor in connection with the Plan shall be deemed to have timely occurred and shall be in effect and shall be authorized and approved in all respects, without any requirement of further action by the security holders, directors, or officers of Debtor or otherwise.

(2) On or before the Effective Date, as applicable, the appropriate officers of Debtor, shall be authorized and, as applicable, directed, to issue, execute, and deliver the agreements, documents, and instruments contemplated by the Plan and the Purchase and Sale Contract (or

1 necessary or desirable to effect the transactions contemplated by the foregoing) in the name of and
2 on behalf of Debtor, and any and all agreements, documents, and instruments relating to the
3 foregoing.

4 (3) The authorizations and approvals contemplated by this Section IV, E. shall be
5 effective notwithstanding any requirements under non-bankruptcy Law.

6 (4) After the Effective Date, to the extent necessary and pursuant to the terms of the
7 Liquidating Trust Agreement, the Liquidating Trustee shall have all authority to address any and
8 all matters that would have required the approval of, and to act on behalf of, the stockholders,
9 directors, members, or managers of Debtor, including the winding down and dissolution of Debtor.

10 F. *Vesting of Assets.*

11 On the Effective Date, pursuant to Sections 1141(b) and (c), the Plan Administration Assets,
12 if any, shall vest in the Liquidating Trust for the purpose of liquidating the Plan Administration
13 Assets and winding down the Estate. Unencumbered Plan Administration Assets shall transfer to
14 the Liquidating Trust free and clear of all Liens, Claims, charges, and other encumbrances.

15 G. *Exemptions from Certain Transfer Taxes and Recording Fees.*

16 To the fullest extent permitted by Section 1146(a), Section 11923 of the California Revenue
17 and Tax Code and Section 21.9.6 of the Los Angeles Municipal Code, the Sale, and any other
18 transfer from Debtor to any Entity pursuant to, in contemplation of, or in connection with the Plan
19 or pursuant to: (a) the issuance, distribution, transfer, or exchange of any debt, securities, or other
20 interest in Debtor; (b) the creation, modification, consolidation, or recording of any mortgage, deed
21 of trust or other security interest, or the securing of additional indebtedness by such or other means;
22 (c) the making, assignment, or recording of any lease or sublease; or (d) the making, delivery, or
23 recording of any deed or other instrument of transfer under, in furtherance of, or in connection with,
24 the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in
25 connection with any transaction arising out of, contemplated by, or in any way related to the Plan,
26 shall not be subject to any Stamp or Similar Tax or governmental assessment, and the appropriate
27 state or local governmental officials or agents shall forego the collection of any such tax or
28 governmental assessment and shall accept for filing and recordation any of the foregoing

1 instruments or other documents without the payment of any such tax or governmental assessment.
2 Unless the Bankruptcy Court orders otherwise, all sales, transfers, and assignments of owned and
3 leased property approved by the Bankruptcy Court on or before the Effective Date shall be deemed
4 to have been in furtherance of, or in connection with, the Plan.

5 H. *Effectuating Documents; Further Transactions.*

6 Prior to, on, and after the Effective Date, Debtor and the directors, managers, officers,
7 authorized persons, and members of the boards of directors or managers and directors thereof, are
8 authorized to and may issue, execute, deliver, file or record such contracts, securities, instruments,
9 and other agreements or documents and take such actions as may be necessary or appropriate to
10 effectuate, implement, and further evidence the terms and provisions of the Plan without the need
11 for any approvals, authorizations, actions, or consents except for those expressly required pursuant
12 to the Plan.

13 The Confirmation Order shall, and shall be deemed to, pursuant to both Sections 363 and
14 1123 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or
15 appropriate to effect any transaction described in, approved by, contemplated by, or necessary to
16 effectuate the Plan.

17 I. *Nonconsensual Confirmation*

18 Debtor intends to undertake to have the Bankruptcy Court confirm the Plan under Section
19 1129(b) of the Bankruptcy Code as to any Classes that reject or are deemed to reject the Plan.

20 J. *Closing of Chapter 11 Case.*

21 The Liquidating Trustee shall promptly after the full administration of the Case, file with
22 the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order
23 of the Bankruptcy Court to close the Case. Upon the filing of a motion to close the Case, Debtor
24 shall file a final report with respect to the Case pursuant to Local Rule 3022-1.

25 **V TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

26 A. *Assumption and Rejection of Executory Contracts and Unexpired Leases.*

27 (1) All Executory Contracts and Unexpired Leases of Debtor that are not otherwise
28 assumed or rejected will be deemed rejected by Debtor in accordance with the provisions and

1 requirements of Sections 365 and 1123, other than (i) those that are identified on the Assumption
2 Schedule; (ii) those that have been previously assumed pursuant to a Final Order prior to the
3 Effective Date; (iii) those that are the subject of a motion seeking assumption or rejection as of the
4 Effective Date; or (iv) those that are to be assumed pursuant to the terms of the Plan. Each
5 Executory Contract and Unexpired Lease assumed pursuant to this Article V but not assigned to a
6 third party shall be deemed to be accepted by Debtor, and be fully enforceable by, Debtor in
7 accordance with the terms thereof, except as otherwise modified by the provisions of this Plan, or
8 by any order of the Bankruptcy Court.

9 (2) The Confirmation Order shall constitute an order of the Bankruptcy Court: (i)
10 approving the assumption, assumption and assignment, or rejection, as the case may be, of
11 Executory Contracts or Unexpired Leases, as described in this Plan, any Plan Supplement, and the
12 Assumption Schedule pursuant Sections 365(a) and 1123(b)(2); (ii) providing that each
13 assumption, assignment, or rejection, as the case may be, is in the best interest of Debtor, the Estate,
14 and all parties in interest in the Chapter 11 Case; and (iii) providing that the requirements for
15 assumption or assumption and assignment of any Executory Contract or Unexpired Lease to be
16 assumed have been satisfied. Unless otherwise indicated, all assumptions or rejections of Executory
17 Contracts or Unexpired Leases pursuant to the Plan are effective as of the Effective Date.
18 Counterparties to Executory Contracts or Unexpired Leases that are deemed rejected as of the
19 Effective Date shall have the right to assert any Claim on account of the rejection of such Executory
20 Contracts or Unexpired Leases subject to compliance with the requirements herein; *provided,*
21 *however,* that such Claims must be filed with the clerk of the Bankruptcy Court and served upon
22 the Liquidating Trustee and counsel for Debtor within thirty (30) days of the Bankruptcy Court
23 entering the Confirmation Order; *provided, further,* that any Claims arising from the rejection of
24 an Executory Contract or Unexpired Lease not filed within the time required by this section will be
25 forever barred from assertion against Debtor, the Estate, the property of Debtor, or the Liquidating
26 Trustee. Any Claim arising from the rejection of Executory Contracts or Unexpired Leases that
27 becomes an Allowed Claim shall be classified as a General Unsecured Claim.

(3) Except as otherwise provided herein or agreed to by Debtor and the applicable counterparty, each assumed Executory Contract or Unexpired Lease shall include all modifications, amendments, supplements, restatements, or other agreements related thereto, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests. To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to this Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption of such Executory Contract or Unexpired Lease (including any “change of control” provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by Debtor during the Chapter 11 Case shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease or the validity, priority, or amount of any Claims that may arise in connection therewith.

(4) Debtor shall create the Assumption Schedule in consultation with Purchaser, and Purchaser shall approve any assumptions, rejections, or modifications of material Executory Contracts and Unexpired Leases as set forth therein, and such approval may not be unreasonably withheld, conditioned, or delayed. Notwithstanding anything to the contrary herein, Debtor reserves the right to alter, amend, modify, or supplement the Assumption Schedule at any time before the Effective Date, in consultation with Purchaser.

B. *Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.*

(1) Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed or assumed and assigned pursuant to the Plan shall be satisfied, pursuant to Section 365(b)(1), by payment of the Cure Cost in Cash on the Effective Date, subject to the limitation described in the following paragraph, or on such other terms as the parties to such Executory Contract or Unexpired Lease may otherwise agree. No later than the Plan Supplement Filing Date, to the extent not previously filed with the Bankruptcy Court and served on affected counterparties,

Debtor shall file and serve upon the counterparties to the agreements listed in the Assumption Schedule notices of proposed assumption and proposed Cure Costs, together with procedures for objecting thereto and resolution of disputes by the Bankruptcy Court. Any objection by a contract or lease counterparty to a proposed assumption, assumption and assignment, or related Cure Cost must be filed, served, and received by Debtor within fourteen (14) days of such assumption or assumption and assignment.

(2) Any counterparty to an Executory Contract or Unexpired Lease that fails to timely object to the proposed assumption, assumption and assignment, or Cure Cost five (5) Business Days prior to the Confirmation Hearing shall be deemed to have consented to such assumption, assumption and assignment, or Cure Cost. In the event of a dispute regarding: (i) the amount of any Cure Cost, (ii) the ability Debtor or any assignee to provide “adequate assurance of future performance” within the meaning of Section 365(b), if applicable, under the Executory Contract or the Unexpired Lease to be assumed or assumed and assigned, and/or (iii) any other matter pertaining to assumption and/or assumption and assignment, then the Bankruptcy Court shall hear such dispute prior to the assumption and/or assumption and assignment becoming effective, and the applicable Cure Costs associated therewith (if any) shall be paid following entry of a Final Order resolving the dispute and approving the assumption or assumption and assignment and shall not prevent or delay implementation of the Plan or Effective Date; *provided, however*, that Debtor may settle any dispute regarding the amount of any Cure Cost without any further notice to any party or any action, order, or approval of the Bankruptcy Court; *provided, further*, that notwithstanding anything to the contrary herein, Debtor reserves the right to reject any Executory Contract or Unexpired Lease within 30 days after the entry of a Final Order resolving an objection to assumption or assumption and assignment, determining the Cure Cost for an Executory Contract or Unexpired Lease that was subject to a dispute, or resolving any request for adequate assurance of future performance required to assume such Executory Contract or Unexpired Lease.

(3) Assumption or assumption and assignment of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise, and the payment of the associated Cure Cost, if any, shall result in the full release and satisfaction of any Claims or defaults, whether monetary or

1 nonmonetary, including defaults of provisions restricting the change in control or ownership
2 interest composition or other bankruptcy-related defaults, arising under any assumed Executory
3 Contract or Unexpired Lease at any time prior to the effective date of assumption or assumption
4 and assignment. Any Proofs of Claim filed with respect to an Executory Contract or Unexpired
5 Lease that has been assumed or assumed and assigned, and the associated Cure Cost paid, shall be
6 deemed disallowed and expunged, without further notice to or action, order, or approval of the
7 Bankruptcy Court.

8 C. *Insurance Policies*

9 Notwithstanding anything to the contrary in this Plan, objection to any Claim, or any other
10 document related to any of the foregoing, all insurance policies pursuant to which Debtor has any
11 obligations in effect as of the Effective Date shall be deemed and treated as executory contracts
12 pursuant to the Plan and shall be assumed by Debtor or the Liquidating Trustee, as applicable, and
13 shall continue in full force and effect thereafter in accordance with their respective terms. All other
14 insurance policies not expressly assumed or assumed and assigned shall be deemed rejected.

15 D. *Reservation of Rights.*

16 Nothing contained in this Plan shall constitute an admission by Debtor that any contract or
17 lease is in fact an Executory Contract or Unexpired Lease or that Debtor has any liability
18 thereunder. If there is a dispute regarding whether a contract or lease is or was executory or
19 unexpired at the time of assumption or rejection, Debtor shall have forty-five (45) days following
20 entry of a Final Order resolving such dispute to alter its treatment of such contract or lease.

21 E. *Nonoccurrence of the Effective Date.*

22 In the event that the Effective Date does not occur, the Bankruptcy Court shall retain
23 jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired
24 Leases pursuant to pursuant to Section 365(d)(4), unless such deadline(s) have expired.

25 F. *Assumption of the Architect Claim.*

26 Architect owns the copyright in the Architect's instruments of service (including
27 architectural plans, specifications, designs, associated renderings, and any electronic format thereof
28

including BIM and AutoCAD) (the “Instruments of Service”), which Instruments of Service may not be used in connection with the bidding or sale process without Architect’s written consent.

Debtor has elected to assume (or assume and assign) the Architect Agreement and will cure any defaults at the closing of the Sale by paying the Architect Claim Amount, less the Potential Architect Reserve, from Sale Proceeds on the Effective Date. Upon such assumption of the Architect Agreement, including payment of the Architect Cure Amount: (a) Architect shall have no duty to continue to perform under the Architect Agreement (other than as set forth below), (b) Debtor (or an assignee) shall have no obligation to continue to perform under the Architect Agreement post-closing, and (c) Architect shall have no further pre-petition or post-petition rights, title or claims against Debtor or the estate (other than its rights under the Plan, which are expressly preserved, and its rights under any New Architect Agreement, if applicable). Architect has provided provisions for its consent a license and or New Architect Agreement, that will be set forth in the Assumption Schedule (defined below). However, no payment of any portion of the Architect Claim Amount that is Disputed as of the Effective Date will be made until such disputed portions are resolved pursuant to Article VII below.

VI PROVISIONS GOVERNING DISTRIBUTIONS

A. *Distribution on Account of Claims and Equity Interests Allowed as of the Effective Date.*

Except as otherwise provided in this Plan, a Final Order, or as agreed to by the relevant parties, distributions under the Plan on account of Claims and Equity Interests Allowed on or before the Effective Date shall be made on the Distribution Date; *provided, however*, that: (a) Allowed Administrative Claims with respect to liabilities incurred by Debtor in the ordinary course of business during the Chapter 11 Case or assumed by Debtor prior to the Effective Date shall be paid or performed in the ordinary course of business in accordance with the terms and conditions of any controlling agreements, course of dealing, course of business, or industry practice and (b) in accordance with Article II of this Plan, Allowed Priority Tax Claims, unless otherwise agreed, shall be treated in accordance with the terms set forth in Section 1129(a)(9)(C) of the Bankruptcy Code. To the extent any Allowed Priority Tax Claim is not due and owing on

the Effective Date, such Claim shall be paid in accordance with the terms of any agreement between Debtor and the Holder of such Claim, or as may be due and payable under applicable non-bankruptcy Law, or in the ordinary course of business.

On or before the Effective Date, and in the event that the Sale Proceeds are insufficient to pay the LADI Secured Claims and Lendlease Secured Claims in full, Debtor shall deposit all Sale Proceeds, less the amounts paid to satisfy the DIP Facility Claims and any costs associated with the Sale, into an escrow account, pursuant to an interest bearing escrow agreement that is reasonably acceptable to the Holders of the LADI Secured Claims and Lendlease Secured Claims and for the benefit of the Holders of the LADI Secured Claims and Lendlease Secured Claims. The Sale Proceeds that are escrowed shall be released from the escrow account only be: (i) Final Order of the Court regarding the respective priorities of the LADI Secured Claims and Lendlease Secured Claims, or (ii) by written agreement of the Holders of the LADI Secured Claims and Lendlease Secured Claims.

B. *Distribution of Account of Claims and Equity Interest Allowed After the Effective Date.*

(1) *Disputed Creditor Reserve Treatment.*

(a) *Transfer of Disputed Claims to Liquidating Trust.* If the Sale Proceeds are insufficient to pay Holders of Secured Claims in full, or if a Claim is otherwise Disputed, then the portion of the Sale Proceeds that would be used to pay such Claims will be deposited into a blocked segregated account to be maintained by the Liquidating Trust for the benefit of the Holders of such Disputed Claims (the “Disputed Creditor Reserve”) with all such liens, claims, encumbrances, and/or interests of the Holder of the Disputed Claim to the Property attaching to the proceeds to the same order and priority as they previously attached to the Property.

(b) *Payments and Distributions on Disputed Claims.* Except as otherwise provided in this Plan, a Final Order, or as agreed to by the relevant parties, distributions under this Plan on account of Disputed Claims that become

1 Allowed after the Effective Date shall be made on the first day that Debtor
2 shall make payment on such claim the later of (i) on the first day that is
3 thirty (30) Business Days after such Disputed Claim becomes Allowed, in
4 whole or in part; (ii) on the day that distributions become available to
5 members of that Class; or (iii) with respect to Holders of General Unsecured
6 Claims, the day the Pro Rata Share of such Holder is determined (the
7 “Disputed Creditor Reserve Treatment”) *provided, however*, that: (i)
8 Disputed Administrative Claims with respect to liabilities incurred by
9 Debtor in the ordinary course of business during the Chapter 11 Case or
10 assumed by Debtor on or before the Effective Date that become Allowed
11 after the Effective Date shall be paid or performed in the ordinary course of
12 business in accordance with the terms and conditions of any controlling
13 agreements, course of dealing, course of business, or industry practice; and
14 (ii) Disputed Priority Tax Claims that become Allowed Priority Tax Claims
15 after the Effective Date shall be treated as Allowed Priority Tax Claims in
16 accordance with Article II of this Plan.

17 (2) *Special Rules for Distributions to Holders of Disputed Claims.* Notwithstanding any
18 provision otherwise in this Plan and except as otherwise agreed to by the relevant parties, no
19 payments or distributions shall be made with respect to a Disputed Claim until all such disputes
20 related to such Disputed Claim has been resolved by settlement or agreement among the relevant
21 parties or by Final Order.

22 C. *Timing and Calculation of Amounts to Be Distributed.*

23 Except as otherwise provided herein, on the Distribution Date, each Holder of an Allowed
24 Claim shall receive the full amount of the distribution that the Plan provides for Allowed Claims
25 in the applicable Class. Except as otherwise provided in this Plan or any order of the Bankruptcy
26 Court, Holders of Claims shall not be entitled to interest, dividends, or accruals on the distributions
27 provided for in this Plan, regardless of whether such distributions are delivered on or at any time
28 after the Effective Date. Notwithstanding the foregoing, Holders of Secured Claims subject to the

1 Disputed Creditor Reserve Treatment may recover post-Effective Date interest if otherwise allowed
2 pursuant to Section 506(b) of the Bankruptcy Code.

3 D. *Delivery of Distributions.*

4 (1) On the Distribution Record Date, the Claims Register shall be closed and any party
5 responsible for making distributions shall be authorized and entitled to recognize only those
6 Holders of Claims listed on the Claims Register as of the close of business on the Distribution
7 Record Date. Notwithstanding the foregoing, if a Claim is transferred twenty (20) or fewer days
8 before the Distribution Date, Distribution Agent shall make distributions to the transferee only to
9 the extent practical and, in any event, only if the relevant transfer form contains an unconditional
10 and explicit certification and waiver of any objection to the transfer by the transferor. Debtor, the
11 Liquidating Trustee and the Distribution Agent shall have no obligation to recognize any transfer
12 of any applicable Claims occurring after the close of business on the Distribution Record Date, and
13 shall be entitled to recognize and deal for all purposes under the Plan with only those Holders of
14 record as of the close of business on the Distribution Record Date.

15 (2) *Cash Distributions.* Distributions of Cash may be made either by check drawn on a
16 domestic bank or wire transfer from a domestic bank, at the option of Debtor or the Liquidating
17 Trustee, except that Cash payments made to foreign creditors may be made in such funds and by
18 such means as are necessary or customary in a particular foreign jurisdiction.

19 (3) *Delivery of Distributions in General.* Except as otherwise provided in the Plan,
20 Distribution Agent shall make distributions to Holders of Allowed Claims at the address for each
21 such Holder as indicated in Debtor's records as of the date of any such distribution, including the
22 address set forth in any Proof of Claim filed by that Holder; *provided, however*, that the manner of
23 such distributions shall be determined at the discretion of Debtor or the Liquidating Trustee, and
24 no Distribution Agent shall incur any liability whatsoever on account of any distributions under the
25 Plan.

26 E. *Distributions by Distribution Agent.*

27 The Liquidating Trustee shall serve as Distribution Agent (provided that the Liquidating
28 Trustee may hire professional or consultants to assist with making disbursements or to act as

1 Distribution Agent) and shall cause all distributions to be made to Holders of Claims after the
2 Effective Date. Distribution Agent shall not be required to give any bond or surety or other security
3 for the performance of its duties unless otherwise ordered by the Bankruptcy Court.

4 F. *Minimum Distributions.*

5 Notwithstanding anything herein to the contrary, Debtor, the Liquidating Trustee, and
6 Distribution Agent shall not be required to make distributions or payments of less than \$100
7 (whether Cash or otherwise) and shall not be required to make partial distributions or payments of
8 fractions of dollars. Whenever any payment or distribution of a fraction of a dollar under the Plan
9 would otherwise be called for, the actual payment or distribution shall reflect a rounding of such
10 fraction to the nearest whole dollar or share of applicable equity interests (up or down), with half
11 dollars and half shares of applicable equity interests or less being rounded down.

12 G. *Undeliverable Distributions.*

13 (1) *Holders of Certain Undeliverable Distributions.* If any distribution to a Holder of
14 an Allowed Claim made in accordance herewith is returned to Debtor or the Liquidating Trustee
15 (or its Distribution Agent) as undeliverable, no further distributions shall be made to such Holder.
16 Undeliverable distributions shall remain in the possession of Debtor or the Liquidating Trustee,
17 subject to Section 6.7(b) below, until such time as any such distributions become deliverable.
18 Undeliverable distributions shall not be entitled to any additional interest, dividends, or other
19 accruals of any kind on account of their distribution being undeliverable.

20 (2) *Failure to Claim Undeliverable Distributions.* Any distribution under the Plan that
21 is an Unclaimed Distribution for a period of six (6) months after such distribution shall be deemed
22 unclaimed property under Section 347(b) and such Unclaimed Distribution shall revert to and vest
23 in Debtor or the Liquidating Trustee free of any restrictions thereon. Upon vesting, the Claim of
24 any Holder or successor to such Holder with respect to such property shall be cancelled and forever
25 barred, notwithstanding federal or state escheat, abandoned, or unclaimed property laws to the
26 contrary. Nothing contained herein shall require Debtor or the Liquidating Trustee to attempt to
27 locate any Holder of an Allowed Claim.

(3) *Failure to Present Checks.* Checks issued by Distribution Agent on account of Allowed Claims shall be null and void if not negotiated within 90 days after the issuance of such check. Any Holder of an Allowed Claim holding an un-negotiated check that does not request reissuance of such un-negotiated check within 90 days after the date of mailing or other delivery of such check shall have its Claim for such un-negotiated check forever barred, estopped, and enjoined from asserting any such Claim against Debtor, the Liquidating Trustee, or its property. Within 90 days after the mailing or other delivery of any such distribution checks, notwithstanding applicable escheatment Laws, all such distributions shall revert to Debtor or the Liquidating Trustee. Nothing contained herein shall require Debtor or the Liquidating Trustee to attempt to locate any Holder of an Allowed Claim.

H. *Compliance with Tax Requirements/Allocations.*

In connection with this Plan, to the extent applicable, Debtor and the Liquidating Trustee shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant hereto shall be subject to such withholding and reporting requirements. Notwithstanding any provision in this Plan to the contrary, Debtor, the Liquidating Trustee, and Distribution Agent shall be authorized to take all actions reasonably necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions or establishing any other mechanisms they believe are reasonable and appropriate. Debtor and the Liquidating Trustee reserve the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, liens, and encumbrances.

I. *Surrender of Cancelled Instruments or Securities.*

Except as otherwise provided in this Plan, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of a certificate or instrument evidencing a Claim shall be deemed to have surrendered such certificate or instrument to the Liquidating Trustee. Except as otherwise expressly provided in the Plan, such surrendered certificate or instrument shall be

1 cancelled solely with respect to Debtor, and such cancellation shall not alter the obligations or rights
2 of any non-Debtor third parties vis-à-vis one another with respect to such certificate or instrument,
3 including with respect to any indenture or agreement that governs the rights of the Holder of a
4 Claim or Equity Interests, which shall continue in effect. Notwithstanding anything to the contrary
5 herein, this paragraph shall not apply to certificates or instruments evidencing Claims that are
6 Unimpaired under the Plan.

7 J. *Claims Paid or Payable by Third Parties.*

8 (1) *Claims Paid by Third Parties.* The Notice and Claims Agent, as applicable, shall
9 reduce in full a Claim to the extent that the Holder of such Claim receives payment in full on
10 account of such Claim from a party that is not a Debtor or the Liquidating Trustee without any
11 further notice to or action, order, or approval of the Bankruptcy Court. To the extent a Holder of a
12 Claim receives a distribution on account of such Claim and receives payment from a party that is
13 not a Debtor or the Liquidating Trustee on account of such Claim, such Holder shall, within two
14 weeks of receipt thereof, repay or return the distribution under the Plan to Debtor or the Liquidating
15 Trustee, to the extent the Holder's total recovery on account of such Claim from the third party and
16 under the Plan exceeds the amount of such Claim as of the date of any such distribution under the
17 Plan.

18 (2) *Claims Payable by Insurance.* No distributions under the Plan shall be made on
19 account of an Allowed Claim that is payable pursuant to any of Debtor's insurance policies, if any,
20 until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance
21 policies. To the extent that one or more of Debtor's insurers satisfies or agrees to satisfy in full or
22 in part a Claim, if any, then immediately upon such insurers' agreement, the applicable portion of
23 such Claim may be expunged without a Claim objection having to be filed and without any further
24 notice to or action, order, or approval of the Bankruptcy Court.

25 (3) Except as otherwise provided in this Plan, distributions to Holders of Allowed
26 Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing
27 contained in this Plan shall constitute or be deemed a waiver of any Cause of Action that Debtor or
28 any Entity may hold against any other Entity, including insurers under any policies of insurance,

nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

VII PROCEDURES FOR RESOLVING DISPUTED CLAIMS OR EQUITY INTERESTS

A. Allowance of Claims and Equity Interests.

(1) Except as provided in Article IX of this Plan, the Liquidating Trustee shall have and retain any and all rights and defenses Debtor had with respect to any Claim or Equity Interest immediately prior to the Effective Date, except with respect to any Claim deemed Allowed under the Plan.

(2) Except as expressly provided in this Plan or in any order entered in the Chapter 11 Case prior to the Effective Date (including the Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Court has entered a Final Order (including the Confirmation Order) in the Chapter 11 Case allowing such Claim. All settled Claims approved prior to the Effective Date pursuant to a Final Order of the Bankruptcy Court, pursuant to Bankruptcy Rule 9019 or otherwise, shall be binding on all parties.

B. Claims Administration Responsibility.

As of the Effective Date, all pending objections to Claims transferred to the Liquidating Trust, who will be entitled to all rights, privileges and defenses held by the Debtor with respect to such Claims. Except as otherwise specifically provided in this Plan or order of the Bankruptcy Court, and notwithstanding any requirements that may be imposed pursuant to Bankruptcy Rule 9019, on and after the Effective Date, and subject to the terms of the Liquidating Trust Agreement, the Liquidating Trustee shall have the authority for administering, disputing, objecting to, compromising, or otherwise resolving all Claims against, and Equity Interests in, Debtor, including the authority: (a) to file, withdraw, or litigate to judgment objections to Claims or Equity Interests; (b) to settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court; and (c) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or

1 approval by the Bankruptcy Court. In the event that any objection to a Claim filed by Debtor
2 remains pending as of the Effective Date, the Liquidating Trustee shall be deemed substituted for
3 Debtor as the objecting party.

4 Notwithstanding this Article VII(B), other parties in interest may object to Claims in
5 accordance with the terms of the Liquidating Trust Agreement.

6 C. *Estimation of Claims and Equity Interests.*

7 Before or after the Effective Date, Debtor or the Liquidating Trustee, as applicable, may
8 (but are not required to) at any time request that the Bankruptcy Court estimate any Claim or Equity
9 Interest pursuant to Section 502(c), or determine the amounts of secured and priority claims
10 pursuant to Bankruptcy Rule 3012, for any reason, regardless of whether any party previously
11 objected to such Claim or Equity Interest or whether the Bankruptcy Court has ruled on any such
12 objection; and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim or Equity
13 Interest, including during the litigation of any objection to any Claim or Equity Interest or during
14 the appeal relating to such objection. Notwithstanding any provision otherwise in this Plan, a Claim
15 or Equity Interest that has been expunged from the Claims Register, but that either is subject to
16 appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars,
17 unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court
18 estimates any Claim or Equity Interest, such estimated amount shall constitute a limitation on the
19 maximum amount of such Claim or Equity Interest for all purposes under the Plan, and the
20 Liquidating Trustee may elect to pursue any supplemental proceedings to object to any distribution
21 on such Claim or Equity Interest. Notwithstanding Section 502(j), in no event shall any Holder of
22 a Claim that has been estimated be entitled to seek reconsideration of such estimation unless such
23 Holder has filed a motion requesting the right to seek such reconsideration on or before twenty-
24 one (21) days after the date on which such Claim is estimated. Each of the foregoing procedures
25 are cumulative and not exclusive of one another. Claims may be estimated and compromised,
26 settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court. For the
27 avoidance of doubt, nothing in this subsection shall impact any priority dispute pending between
28 any other Creditors in this Court or any court of competent jurisdiction.

D. *Adjustment to Claims and Equity Interests Without Objection.*

Any Claim or Equity Interest that has been paid or satisfied, or any Claim or Equity Interest that has been amended or superseded, may be adjusted or expunged on the Claims Register by the Liquidating Trustee without filing an objection to such Claim or Equity Interest or further notice to or action, order, or approval of the Bankruptcy Court.

E. *Disallowance of Certain Claims.*

Any Claims held by Entities from which property is recoverable under Section 542, 543, 550, or 553 or by a transferee of a transfer avoidable under Section 522(f), 522(h), 544, 545, 547, 548, 549 or 724(a) shall be deemed disallowed pursuant to Section 502(d), and Holders of such Claims may not receive any distributions on account of such Claims and Equity Interests until such time as such Causes of Action against that Entity have been settled or a Final Order of the Bankruptcy Court with respect thereto has been entered and all sums due have been turned over or paid to the Liquidating Trustee.

Except as provided herein or otherwise agreed, any and all Proofs of Claim filed after the Claims Bar Date shall be deemed disallowed and expunged as of the Effective Date without any further notice, action, order, or approval of the Bankruptcy Court and the Holders of such Claims shall not receive any distributions on account of such Claims.

F. *Amendments to Claims.*

On or after the Effective Date, except as provided herein, a Claim may not be filed or amended without the prior authorization of the Bankruptcy Court or the Liquidating Trustee, and, to the extent such prior authorization is not received, any such new or amended Claim filed shall be deemed disallowed in full and expunged without any further action.

G. *No Interest on Claims, Equity Interests, or Disputed Claims.*

Unless otherwise specifically provided for in this Plan, or as otherwise required by Section 506(b) of the Bankruptcy Code, Postpetition interest shall not accrue or be paid on Claims or Equity Interests and no Holder of a Claim or Equity Interest shall be entitled to interest accruing on or after the Petition Date on any Claim or Equity Interest. Without limiting the foregoing, unless otherwise specifically provided for in this Plan, or otherwise required by Section 506(b) of the Bankruptcy

Code, interest shall not accrue or be paid on any Disputed Claim from the Effective Date to the date a final distribution is made, if any.

VIII CONDITIONS PRECEDENT TO THE EFFECTIVE DATE

A. Conditions Precedent to Confirmation of the Plan.

The following are conditions precedent to the entry of the Confirmation Order:

(1) The Plan Supplement and all of the schedules, documents, and exhibits contained therein have been filed, and;

(2) The Winning Bidder and/or Backup Bidder (as defined in the Bidding Procedures Order) has been selected, through the Auction or otherwise.

B. Conditions Precedent to the Effective Date

The Effective Date shall not occur unless and until each of the following conditions have occurred or been waived in accordance with the terms herein:

(1) all documents, certificates, and agreements necessary to implement the Plan shall have been executed and tendered for delivery to the required parties and, to the extent required, filed with the applicable Governmental Units in accordance with applicable Laws, and all conditions precedent to the effectiveness of such documents and agreements shall have been satisfied or waived pursuant to the terms thereof (or will be satisfied and waived substantially concurrently with the occurrence of the Effective Date);

(2) there shall be no ruling, judgment, or order issued, by any Governmental Unit or otherwise making illegal, enjoining, or otherwise preventing or prohibiting the consummation of the Sale; and

(3) the Sale shall have closed and been consummated.

C. Waiver of Conditions Precedent.

Debtor may waive any of the conditions to the Effective Date set forth above at any time, without any notice to any parties in interest and without any further notice to or action, order, or approval of the Bankruptcy Court, and without any formal action other than a proceeding to confirm the Plan.

D. *Effect of Failure of Conditions Precedent.*

If the Effective Date does not occur, then upon notice by Debtor to the Bankruptcy Court:
(a) the Plan shall be null and void in all respects; (b) any settlement or compromise embodied in the Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected under the Plan, and any document or agreement executed pursuant to the Plan shall be deemed null and void; and (c) nothing contained in this Plan or the Confirmation Order shall: (i) constitute a waiver or release of any Claims, Equity Interests, (ii) prejudice in any manner the rights of Debtor or any other Entity; or (iii) constitute an admission, acknowledgment, offer, or undertaking of any sort by Debtor or any other Entity.

E. *Reservation of Rights.*

The Plan shall have no force or effect unless and until the Confirmation Order is entered. Prior to the Effective Date, none of the filing of this Plan, any statement or provision contained in this Plan, or action taken by Debtor or First Lien Lender with respect to the Plan shall be, or shall be deemed to be, an admission or waiver of any rights of Debtor or any other party with respect to any Claims or Equity Interests or any other matter.

F. *Substantial Consummation of Plan.*

Substantial consummation of the Plan under Section 1101(2) shall be deemed to occur on the Effective Date.

IX EFFECT OF CONFIRMATION

A. *Binding Effect.*

Subject to the occurrence of the Effective Date, on and after the entry of the Confirmation Order, the provisions of the Plan shall bind and inure to the benefit of Debtor, the Liquidating Trustee, and each Holder of a Claim against or Equity Interest in Debtor and inure to the benefit of and be binding on Debtor's, the Liquidating Trustee, and Holder's respective successors and assigns, regardless of whether the Claim or Equity Interest of such Holder is Impaired under the Plan and whether such Holder has accepted or rejected the Plan or is deemed to have accepted or rejected the Plan.

1 B. *Compromise and Settlement of Claims and Controversies.*

2 Pursuant to Section 1123 and Bankruptcy Rule 9019 and in consideration for the
3 distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall
4 constitute a good faith compromise of all Claims, Equity Interests, and controversies relating to the
5 contractual, legal, and subordination rights that a Holder of a Claim or Equity Interest may have
6 with respect to any Allowed Claim or Equity Interest, or any distribution to be made on account of
7 such Allowed Claim or Equity Interest, and shall be deemed a motion to approve such good-faith
8 compromise. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval
9 of the compromise or settlement of all such Claims, Equity Interests, and controversies, as well as
10 a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of
11 Debtor, its Estate, and Holders of Claims and Equity Interests and is fair, equitable, and reasonable.
12 In accordance with the provisions of the Plan, without any further notice to or action, order, or
13 approval of the Bankruptcy Court, after the Effective Date, the Liquidating Trustee may
14 compromise and settle Claims against Debtor and its Estate and Causes of Action against other
15 Entities.

16 C. *Injunctions.*

17 The Confirmation Order shall enjoin the prosecution, whether directly, derivatively, or
18 otherwise, of any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action,
19 liability or interest released, or termination pursuant to this Plan. Except as provided in this Plan or
20 the Confirmation Order, all entities that have held, currently hold, or may hold a claim or other debt
21 or liability or an interest or other right of an equity security holder are permanently enjoined from
22 taking any of the following actions against Debtor, the Liquidating Trustee, or any of their property
23 on account of such discharged claims, debts or liabilities or extinguished interests or rights: (i)
24 commencing or continuing, in any manner or in any place, any action or other proceeding; (ii)
25 enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree or order;
26 (iii) creating, perfecting or enforcing any lien or encumbrance; (iv) asserting a setoff, right of
27 subrogation or recoupment of any kind against any debt, liability or obligation due to Debtor; and
28 (v) commencing or continuing any action in any manner, in any place, that does not comply with

1 or is inconsistent with the provisions of this Plan. By accepting a distribution pursuant to this Plan,
2 each holder of an allowed claim shall be deemed to have specifically consented to the injunctions
3 set forth in this Section. For the avoidance of doubt, nothing in this subsection shall impact any
4 priority dispute pending between any other Creditors in this Court or any court of competent
5 jurisdiction.

6 D. *Exculpation.*

7 Except as otherwise specifically provided for in this Plan, no Exculpated Party shall have
8 or incur any liability for, and each Exculpated Party is hereby exculpated from, any cause of action
9 for any claim related to any act or omission from the Petition Date to the Effective Date in
10 connection with, relating to, or arising out of, Debtor's Chapter 11 Case, in whole or in part, the
11 formulation, preparation, dissemination, and negotiation of this Plan, the Disclosure Statement, any
12 contract, instrument, release, or other agreement or document created or entered into in connection
13 with this Plan, the Disclosure Statement, the filing of this Chapter 11 case, the pursuit of Plan
14 confirmation, the administration and implementation of this Plan, or distribution of payments made
15 under this Plan or any related act, except for claims or causes of action arising from an act or
16 omission that is judicially determined in a final non-appealable order to have constituted actual
17 fraud, willful misconduct, or gross negligence, but in all respects, such Exculpated Parties shall be
18 entitled to the fullest extent permitted by law to reasonably rely upon the advice of counsel with
19 respect to their duties and responsibilities. The Exculpated Parties have, and upon the
20 consummation of this Plan shall be deemed to have, participated in good faith and in compliance
21 with the applicable laws with regard to the solicitation of, and distribution of, consideration
22 pursuant to this Plan and therefore, are not, and on account of such distributions shall not be, liable
23 at any time for the violation of any applicable law, rule, or regulation governing the solicitation of
24 acceptances or rejections of this Plan or such distributions made pursuant to this Plan. For the
25 avoidance of doubt, nothing in this subsection shall impact any priority dispute pending between
26 any other Creditors in this Court or any court of competent jurisdiction and nothing in this section
27 shall prevent any party in interest from objecting to any Intercompany Loan Claim.
28

E. *Setoffs and Recoupment*

(1) Except as otherwise provided herein, the Liquidating Trustee, pursuant to the Bankruptcy Code, applicable bankruptcy or non-bankruptcy Law, or as may be agreed to by the Holder of an Allowed Claim, may set off or recoup against any Allowed Claim and the distributions to be made pursuant to the Plan on account of such Allowed Claim, any Claims, rights, and Causes of Action of any nature that the applicable Debtor or the Liquidating Trustee may hold against such Holder, to the extent such Claims, rights, or Causes of Action have not been otherwise compromised or settled on or prior to the Effective Date (whether pursuant to the Plan, a Final Order, or otherwise); *provided, however*, that neither the failure to effect such a setoff or recoupment nor the allowance of any Claim pursuant to the Plan shall constitute a waiver or release by the Liquidating Trustee with respect to such Claims, rights, and Causes of Action.

(2) In no event shall any Holder of Claims be entitled to set off or recoup any Claim against any Claim, right, or Cause of Action of a Debtor or the Liquidating Trustee, as applicable, unless such Holder has timely and properly filed a Proof of Claim preserving such setoff or recoupment in such Proof of Claim.

F. *Retention of Causes of Action; Reservation of Rights.*

Except as otherwise provided in this Article IX, nothing contained in the Plan or the Confirmation Order shall be deemed to be a waiver or relinquishment of any rights, Claims, Causes of Action, rights of setoff or recoupment, or other legal or equitable defenses that Debtor had immediately prior to the Effective Date on behalf of the Estate or itself in accordance with any provision of the Bankruptcy Code or any applicable non-bankruptcy law, including, without limitation, any affirmative Causes of Action against parties with a relationship with Debtor including actions arising under Chapter 5 of the Bankruptcy Code. Except as provided in any order entered by the Bankruptcy Court, the Liquidating Trustee shall have, retain, reserve, and be entitled to assert all such Claims, Causes of Action, rights of setoff or recoupment, and other legal or equitable defenses as fully as if the Chapter 11 Case had not been commenced, and all of Debtor's legal and equitable rights in respect of any Unimpaired Claim may be asserted after the

Confirmation Date and Effective Date to the same extent as if the Chapter 11 Case had not been commenced..

G. *Release of Liens*

Except as otherwise provided herein or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any unencumbered property of the Estate shall be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Liquidating Trustee and its successors and assigns. For the avoidance of doubt, nothing in this subsection shall impact any priority dispute pending between any other Creditors in this Court or any court of competent jurisdiction and any distributions on account of such Disputed Claims shall be made as set forth in Article VI(B).

X RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain jurisdiction over all matters arising out of, or related to, the Liquidating Trust, Chapter 11 Case and the Plan pursuant to Sections 105(a) and 1142, including jurisdiction to:

(1) Allow, disallow, determine, liquidate, classify, estimate, or establish the priority, nature, validity, amount, or secured or unsecured status of any Claim or Equity Interest, including the resolution of any request for payment and any and all objections to the allowance, classification, priority or amount of Claims or Equity Interests;

(2) Decide and resolve all matters related to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;

(3) Resolve any matters related to: (i) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease and to hear, determine, and, if necessary, liquidate, any Cure Costs arising therefrom; (ii) any potential obligation under any Executory

1 Contract or Unexpired Lease that is assumed; (iii) Debtor's or the Liquidating Trustee's
2 amendment, modification, or supplement after the Effective Date, pursuant to Article V of this
3 Plan, of the lists of Executory Contracts and Unexpired Leases to be assumed or rejected or
4 otherwise; and (iv) any dispute regarding whether a contract or lease is or was executory or expired;

5 (4) Ensure that distributions to Holders of Allowed Claims are carried out pursuant to
6 the provisions of the Plan;

7 (5) Adjudicate, decide, or resolve any motions, adversary proceedings, any other
8 matters, and any applications involving a Debtor, that may be pending on the Effective Date;

9 (6) Adjudicate, decide or resolve any and all matters related to Causes of Action;

10 (7) Adjudicate, decide or resolve any and all matters related to Section 1141 of the
11 Bankruptcy Code;

12 (8) Resolve any and all avoidance or recovery actions under Sections 105, 502(d), 542
13 through 551 and 553 of the Bankruptcy Code;

14 (9) Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise
15 in connection with the interpretation or enforcement of the Plan or Confirmation Order or any
16 Entity's obligations incurred in connection with the Plan or Confirmation Order, including disputes
17 arising under or in connection with any agreements, documents, or instruments executed in
18 connection with the Plan, Plan Supplement, or Confirmation Order;

19 (10) Enter and implement such orders as may be necessary or appropriate to execute,
20 implement, or Consummate the provisions of the Plan or Confirmation Order and all contracts,
21 instruments, indentures, and other agreements or documents created in connection with this Plan
22 or the Confirmation Order;

23 (11) Enter and enforce any order for the sale of property pursuant to Sections 363, 1123,
24 or 1146(a) of the Bankruptcy Code;

25 (12) Adjudicate, decide, or resolve matters concerning state, local, and federal taxes in
26 accordance with Sections 346, 505, and 1146 of the Bankruptcy Code;

27 (13) Grant any consensual request to extend the deadline for assuming or rejecting
28 Unexpired Leases pursuant to Section 365(d)(4) of the Bankruptcy Code;

1 (14) Enforce the injunction and exculpation provisions of the Plan, and issue injunctions,
2 enter and implement orders, or take such other actions as may be necessary or appropriate to restrain
3 interference by any Entity with enforcement of the Plan;

4 (15) Resolve any cases, controversies, suits, disputes, or Causes of Action with respect
5 to the injunctions and other provisions contained in the Plan and enter such orders as may be
6 necessary or appropriate to implement such injunctions and other provisions;

7 (16) Resolve any cases, controversies, suits, disputes, or Causes of Action with respect
8 to the repayment or return of distributions and the recovery of additional amounts owed by the
9 Holder of a Claim or Equity Interest for amounts not timely repaid;

10 (17) Enter and implement such orders as are necessary or appropriate if the Confirmation
11 Order is for any reason modified, stayed, reversed, revoked, or vacated;

12 (18) Determine any other matters that may arise in connection with or relate to this Plan,
13 the Confirmation Order, or any contract, instrument, indenture, or other agreement or document
14 created in connection therewith;

15 (19) Enter an order or final decree concluding or closing the Chapter 11 Case;

16 (20) Adjudicate any and all disputes arising from or relating to distributions under the
17 Plan;

18 (21) Consider any modifications of this Plan, to cure any defect or omission, or to
19 reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

20 (22) Hear and determine disputes arising in connection with the interpretation,
21 implementation, or enforcement of the Plan or the Confirmation Order, including disputes arising
22 under agreements, documents, or instruments executed in connection with the Plan;

23 (23) Hear and determine all disputes involving the existence, nature, or scope of Debtor's
24 discharge, including any dispute relating to any liability arising out of the termination of
25 employment or the termination of any employee or retiree benefit program, regardless of whether
26 such termination occurred prior to or after the Effective Date;

27 (24) Enforce all orders previously entered by the Bankruptcy Court; and

28 (25) Hear any other matter not inconsistent with the Bankruptcy Code.

XI MISCELLANEOUS PROVISIONS

A. *Immediate Binding Effect.*

Notwithstanding the Bankruptcy Rules, upon the occurrence of the Effective Date, the terms of the Plan shall be immediately effective and enforceable and deemed binding upon Debtor, the Liquidating Trustee, and any and all Holders of Claims and Equity Interests (irrespective of whether Holders of such Claims or Equity Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases. The Confirmation Order shall contain a waiver of any stay of enforcement otherwise applicable, including pursuant to Bankruptcy Rule 3020(e) and 7062.

B. *Amendments.*

(1) *Plan Modifications.* Subject to the limitations contained in this Plan, and in accordance with the Bankruptcy Code and the Bankruptcy Rules: (i) Debtor reserves the right, to amend or modify this Plan, including amendments or modifications to satisfy Section 1129(a) of the Bankruptcy Code; and (ii) after the entry of the Confirmation Order, Debtor or the Liquidating Trustee, as applicable, may, upon order of the Bankruptcy Court, amend or modify this Plan, in accordance with Section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in this Plan in such manner as may be necessary to carry out the purpose and intent of this Plan.

(2) *Effect of Confirmation on Modifications.* Upon entry of the Confirmation Order, all modifications or amendments to the Plan occurring on or after the solicitation thereof shall be deemed approved pursuant to Section 1127(a) of the Bankruptcy Code and shall not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

(3) *Technical Amendments.* Prior to the Effective Date, Debtor may make technical adjustments and modifications to the Plan that do not adversely affect the treatment of Holders of Claims or Equity Interests thereunder, without further order or approval of the Bankruptcy Court.

1 C. *Governing Law.*

2 Except to the extent that the Bankruptcy Code, the Bankruptcy Rules or other federal Law,
3 rule, or regulation is applicable, or to the extent that an exhibit, supplement, or other document
4 related to the Plan provides otherwise, the Plan shall be governed and construed in accordance with
5 the Laws of the State of California, without giving effect to the principles of conflict of Laws
6 thereof. Corporate governance matters shall be governed by the laws of the applicable state of
7 incorporation, formation, or functional equivalent thereof, as applicable.

8 D. *Successors and Assigns.*

9 The rights, benefits, and obligations of any Entity named or referred to in the Plan shall be
10 binding on and shall inure to the benefit of any heir, executor, administrator, successor, Affiliate,
11 assign, officer, director, agent, representative, attorney, beneficiaries, or guardian, if any, of each
12 such Entity.

13 E. *Severability.*

14 If, prior to the entry of the Confirmation Order, the Bankruptcy Court determines that any
15 term or provision of the Plan is invalid, void, or unenforceable, the Bankruptcy Court, at the request
16 of Debtor, shall have the power to alter and interpret such term or provision to render it valid or
17 enforceable to the maximum extent practicable, consistent with the original purpose of the term or
18 provision held to be invalid, void, or unenforceable, which term shall thereafter apply as so altered
19 or interpreted. Notwithstanding the forgoing, the remaining terms and provisions of the Plan shall
20 remain in full force and effect and shall in no way be affected, impaired, or invalidated by such
21 holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial
22 determination and shall provide that each term and provision of the Plan, as it may have been altered
23 or interpreted in accordance with the foregoing, is (a) valid and enforceable pursuant to its terms,
24 (b) integral to the Plan and may not be deleted or modified, and (c) non-severable and mutually
25 dependent.

26 F. *Controlling Document.*

27 In the event of a conflict between the Plan and the Plan Supplement, the terms of the relevant
28 document in the Plan Supplement shall control (unless stated otherwise in such Plan Supplement

1 document or in the Confirmation Order). In the event of a conflict between the Plan and the
2 Disclosure Statement, the terms of this Plan shall control.

3 The provisions of this Plan and of the Confirmation Order shall be construed in a manner
4 consistent with each other so as to effect the purposes of each; *provided, however*, that in the event
5 of any inconsistency or conflict between the Plan and the Confirmation Order that cannot be so
6 construed, then, solely to the extent necessary, the applicable provisions of the Confirmation Order
7 shall control and any such provision of the Confirmation Order shall be deemed a modification of
8 the Plan.

9 G. *Filing of Additional Documents.*

10 On or before the Effective Date, Debtor may file with the Bankruptcy Court such
11 agreements and other documents as may be necessary or appropriate to effectuate and further
12 evidence the terms and conditions of the Plan. Debtor or the Liquidating Trustee, as applicable, and
13 all Holders of Claims or Equity Interests receiving distributions pursuant to the Plan and all other
14 parties in interest shall, from time to time, prepare, execute, and deliver any agreements or
15 documents and take any other actions as may be necessary or advisable to effectuate the provisions
16 and intent of the Plan or the Confirmation Order.

17 H. *Reservation of Rights.*

18 The Plan shall have no force or effect unless and until the Bankruptcy Court enters the
19 Confirmation Order. The Plan, Disclosure Statement, and Plan Supplement, or anything contained
20 therein, or any action Debtor takes with respect thereto, shall be deemed to be an admission or
21 waiver of any rights of Debtor with respect to the Holders of Claims or Equity Interests prior to the
22 Effective Date.

23 I. *Service of Documents.*

24 After the Effective Date, any pleading, notice or other document required by the Plan to be
25 served on or delivered to the Liquidating Trustee shall also be served on:

26 Bradley Sharp
27 333 South Grand Ave. Ste. 4100
28 Los Angeles, CA 90071

1 With copies to:
2 Bryan Cave Leighton Paisner, LLP
3 Sharon Z. Weiss
4 120 Broadway, Ste. 300
5 Santa Monica, CA 90401

6 After the Effective Date, the Liquidating Trustee has authority to provide notice to Parties
7 in Interest that in order to continue to receive documents pursuant to Bankruptcy Rule 2002, they
8 must file a renewed request to receive documents. After the Effective Date, the Liquidating Trustee
9 is authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to
10 those Entities who have filed such requests.

11 J. *Section 1125(e) of the Bankruptcy Code.*

12 As of the Confirmation Date: (a) Debtor shall be deemed to have solicited acceptances of
13 the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code
14 and any applicable non-bankruptcy Law, rule, or regulation governing the adequacy of disclosure
15 in connection with such solicitation; and (b) Debtor, and its agents, directors, officers, employees,
16 advisors, and attorneys shall be deemed to have participated in good faith, and in compliance with
17 the applicable provisions of the Bankruptcy Code, in the offer and issuance of any securities under
18 the Plan, and, therefore, are not, and on account of such offer, issuance, and solicitation shall not
19 be, liable at any time for any violation of any applicable Law, rule, or regulation governing the
20 solicitation of acceptances or rejections of the Plan.

21 K. *Tax Reporting and Compliance.*

22 Debtor shall be authorized to request an expedited determination under Section 505(b) for
23 all tax returns filed for, or on behalf of, Debtor for any and all taxable periods ending after the
24 Petition Date through, and including, the dissolution of Debtor.

25 L. *Exhibits, Schedules and Supplements.*

26 All exhibits, schedules, and supplements to this Plan are incorporated into and made a part
27 of Plan as if fully set forth herein. To the extent any exhibit, schedule, or supplement is inconsistent
28 with the terms of this Plan and unless otherwise provided for in the Confirmation Order, the terms
of such exhibit, schedule, or supplement shall control as to the transactions contemplated thereby

1 and the terms of this Plan shall control as to any Plan provision as may be required under such
2 exhibit, schedule, or supplement.

3 M. *Entire Agreement.*

4 Except as otherwise set forth herein, on the Effective Date the Plan shall supersede all
5 previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and
6 representations on such subjects, all of which have become merged and integrated into the Plan.

7 N. *Allocation of Payments.*

8 To the extent that any Allowed Claim entitled to distribution hereunder is comprised of
9 indebtedness and accrued but unpaid interest thereon, such distribution shall, for all U.S. federal
10 income tax purposes, be allocated to the principal amount of such Claim first, and then, to the extent
11 that the consideration exceeds such principal amount, to the portion of such Claim representing
12 accrued but unpaid interest (but solely to the extent that interest is an allowable portion of such
13 Allowed Claim).

14
15 Dated: September 4, 2024

Respectfully submitted,

16 BRYAN CAVE LEIGHTON PAISNER LLP

17 By: /s/ Sharon Z. Weiss
18 Sharon Z. Weiss
Attorneys for Debtor-in-Possession
19
20
21
22
23
24
25
26
27
28

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

EXHIBIT B

BRYAN CAVE LEIGHTON PAISNER LLP

Sharon Z. Weiss (State Bar No.: 169446)

sharon.weiss@bclplaw.com

120 Broadway, Suite 300

Santa Monica, CA 90401-2386

Telephone: (310) 576-2100

Facsimile: (310) 576-2200

Jarret P. Hitchings (*Admitted Pro Hac Vice*)

jarret.hitchings@bclplaw.com

One Wells Fargo Center

301 S. College Street, Suite 2150

Charlotte, NC 28202

Telephone: (704) 749-8999

Facsimile: (704) 749-8990

Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re

Oceanwide Plaza LLC,

Debtor.

Case No. 2:24-bk-11057-DS

Chapter 11

**DEBTOR'S ~~SUPPLEMENT TO~~ SECOND
AMENDED DISCLOSURE STATEMENT
DESCRIBING DEBTOR'S LIQUIDATING
PLAN OF REORGANIZATION (DATED
~~August 19~~ SEPTEMBER 4, 2024)**

Disclosure Statement Hearing

Date: September 5, 2024

Time: 1:00 p.m.

Place: Ctrm 1634/Via Zoom

255 East Temple Street

Los Angeles, CA 90012

Plan Confirmation Hearing

Date: October 16, 2024

Time: 10:00 a.m.

Place: Ctrm 1634/Via Zoom

255 East Temple Street

Los Angeles, CA 90012

TABLE OF CONTENTS

	<u>Page</u>
Table of Authorities	iii
DISCLAIMER	1
I. INTRODUCTION	2
II. BACKGROUND	4
A. Description and History of Debtor's Business and a Summary of the Circumstances Which Led to the Filing of this Case.	4
Debtor's Business Operations	4
Debtor's Liquidity Struggles and Pre-Petition Efforts to Reorganize	6
The Webcor Litigation	6 <u>7</u>
Debtor Is Working With LA City As A Result of International Attention Causing Security Issues	8
B. Pre-Petition Financing Arrangements	9
C. Events During Debtor's Chapter 11 Case.	10
a. Employment of Professionals and Consultants.....	10
b. Claims Bar Date	10
c. Summary of Scheduled and Filed Claims.....	10 <u>11</u>
i. Secured Claims.....	11
ii. Priority Tax Claims	11
iii. Non-Tax Priority Claims.....	11
iv. General Unsecured Claims.....	11
v. Intercompany Loans.....	11
d. DIP Financing	12
e. Limited Relief from Stay Regarding the State Court Action	13
f. U.S. Trustee's Motion to Dismiss Denied	13 <u>14</u>
g. Settlement-Efforts / Mediation With Consulting Parties	14
h. Bidding Procedures / Sale of Property	14
III. PLAN SUMMARY	16
1. Any use by Debtor or Recipient Party of the Instruments of Service shall be limited to and strictly comply with the permitted uses and other provisions of the Architect Agreement or as otherwise agreed to by Architect in writing.	19 <u>19</u>
IV. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS.	21 <u>19</u>
A. What Creditors and Interest Holders Will Receive Under the Plan.....	21 <u>19</u>
B. Unclassified Claims.	21 <u>20</u>
1. DIP Facility Claims.....	21 <u>20</u>
2. Administrative Claims.	22 <u>20</u>
3. Professional Fee Claims.....	22 <u>20</u>
4. Priority Tax Claims.....	23 <u>21</u>

1	5.	Statutory Fees.....	<u>2321</u>
2	C.	Means of Effectuating and Implementing the Plan.....	<u>2322</u>
3	1.	Funding for the Plan.....	<u>2322</u>
4	2.	Sale of the Property.....	<u>2322</u>
5	3.	Liquidation of Plan Administration Assets.....	<u>2422</u>
6	4.	Transfer to the Liquidating Trust.	<u>2423</u>
7	5.	Causes of Action.	<u>2423</u>
8	6.	Composition of Debtor Post-Confirmation.....	<u>2523</u>
9	7.	Distribution Agent.....	<u>2523</u>
10	8.	Employment of Professionals by the Liquidating Trustee.....	<u>2524</u>
11	9.	Protocol for the Liquidation of Disputed Claims.....	<u>2524</u>
12	10.	Exemption from Transfer Taxes.	<u>2625</u>
13	11.	Distributions to Be Made Pursuant to the Plan.	26
14	12.	Injunctions.....	27
15	13.	Exculpation.	<u>2827</u>
16	14.	Executory Contracts and Unexpired Leases.	28
17	15.	Retention of Jurisdiction.	<u>2931</u>
18	V.	TAX CONSEQUENCES OF THE PLAN.....	<u>3233</u>
19	VI.	CONFIRMATION REQUIREMENTS AND PROCEDURES.	<u>3334</u>
20	A.	Who May Object.....	<u>3334</u>
21	B.	Who May Vote to Accept or Reject the Plan.....	<u>3335</u>
22	C.	What is an Allowed Claim or Interest?	<u>3335</u>
23	D.	What is an Impaired Claim or Interest?	<u>3335</u>
24	E.	Who is Not Entitled to Vote.....	<u>3436</u>
25	F.	Who Can Vote in More Than One Class.	<u>3436</u>
26	G.	Votes Necessary to Confirm the Plan.	<u>3436</u>
27	H.	Votes Necessary for a Class to Accept the Plan.	<u>3536</u>
28	I.	Treatment of Non-Accepting Classes.	<u>3537</u>
	J.	Liquidation Analysis.....	<u>3537</u>
	K.	Feasibility.....	<u>3739</u>
	VII.	RISK FACTORS REGARDING THE PLAN.....	<u>3840</u>
	VIII.	EFFECT OF CONFIRMATION OF THE PLAN.	<u>3940</u>
	A.	Discharge.....	<u>3940</u>
	B.	Modification of the Plan.....	<u>3940</u>
	C.	Post-Confirmation Status Reports.....	<u>3941</u>
	D.	Post-Confirmation Conversion/Dismissal.....	<u>3941</u>
	E.	Final Decree.	<u>3941</u>

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

TABLE OF AUTHORITIES

Page(s)

Cases

<i>Fla. Dep't of Revenue v. Piccadilly Cafeterias, Inc.</i> , 554 U.S. 33 S. Ct. 2326, 171 L. Ed. 2d 203 (2008)	27
<i>In re New 118th, Inc.</i> , 398 B.R. 791 (Bankr. S.D.N.Y. 2009)	27

Statutes

11 U.S.C. § 105	2, 31
11 U.S.C. § 326	37
11 U.S.C. § 346	31
11 U.S.C. § 362	13
11 U.S.C. § 363	31
11 U.S.C. § 365(d)(4)	32
11 U.S.C. § 502(d)	31
11 U.S.C. § 505	31
11 U.S.C. § 507(a)(2)	23, 35
11 U.S.C. § 507(a)(3)	35
11 U.S.C. § 507(a)(8)	24, 35
11 U.S.C. § 542	31
11 U.S.C. § 551	31
11 U.S.C. § 553	31
11 U.S.C. § 1112(b)	13, 40
11 U.S.C. § 1123	31
11 U.S.C. § 1123(a)(1)	16
11 U.S.C. § 1125	2

1	11 U.S.C. § 1129	3
2	11 U.S.C. § 1129(a)(8)	36
3	11 U.S.C. § 1129(a)(9)(C)	24, 27
4	11 U.S.C. § 1129(b)	36
5	11 U.S.C. § 1141	31
6	11 U.S.C. § 1146	31
7	11 U.S.C. § 1146(a)	27, 31, 37
8	28 U.S.C. § 1930(a)	24
9	28 U.S.C. § 1930(a)(6)	41
10	31 U.S.C. § 3717	24
11	Cal. Civ. Code § 8800	7
12	Cal. Rev. & Tax. Code § 11911	27
13	Cal. Rev. & Tax. Code § 11923	27, 37
14	LAMC § 21.9.2(a)	27
15	LAMC § 21.9.2(b)	27
16	LAMC § 21.9.6	27, 37
17	Other Authorities	
18	Fed. R. Bankr. P. 3019	4
19	Fed. R. Bankr. P. 3022	40
20		
21		
22		
23		
24		
25		
26		
27		
28		

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

DISCLAIMER

THIS ~~SUPPLEMENTAL~~SECOND AMENDED DISCLOSURE STATEMENT¹ (THE
“DISCLOSURE STATEMENT”) WAS COMPILED FROM INFORMATION OBTAINED
FROM NUMEROUS SOURCES BELIEVED TO BE ACCURATE TO THE BEST OF
DEBTOR’S KNOWLEDGE, INFORMATION, AND BELIEF. THERE HAS BEEN NO
INDEPENDENT AUDIT OF THE FINANCIAL INFORMATION CONTAINED IN THIS
DISCLOSURE STATEMENT EXCEPT AS EXPRESSLY INDICATED HEREIN.

NOTHING STATED HEREIN SHALL BE DEEMED OR CONSTRUED AS, AND IS
NOT INTENDED TO BE, AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY
OR TO BE ADMISSIBLE IN ANY PROCEEDING INVOLVING DEBTOR OR ANY OTHER
PARTY, OR TO BE DEEMED CONCLUSIVE EVIDENCE OF THE TAX OR OTHER LEGAL
EFFECTS OF THE PLAN ON DEBTOR OR HOLDERS OF CLAIMS OR EQUITY
INTERESTS. CERTAIN STATEMENTS CONTAINED HEREIN, BY NATURE, ARE
FORWARD-LOOKING AND CONTAIN ESTIMATES AND ASSUMPTIONS. THERE CAN
BE NO ASSURANCE THAT SUCH STATEMENTS WILL REFLECT ACTUAL OUTCOMES.

UNLESS OTHERWISE INDICATED HEREIN, THE STATEMENTS CONTAINED
HEREIN ARE MADE AS OF THE DATE HEREOF. THE DELIVERY OF THIS DISCLOSURE
STATEMENT SHALL NOT BE DEEMED OR CONSTRUED TO CREATE ANY
IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AT ANY
TIME AFTER THE DATE HEREOF.

HOLDERS OF CLAIMS AND EQUITY INTERESTS SHOULD NOT CONSTRUE THE
CONTENTS OF THIS DISCLOSURE STATEMENT AS PROVIDING ANY LEGAL,
BUSINESS, FINANCIAL, OR TAX ADVICE. THEREFORE, EACH SUCH HOLDER SHOULD
CONSULT WITH ITS OWN LEGAL, BUSINESS, FINANCIAL, AND TAX ADVISORS AS TO

¹ Debtor filed its initial Disclosure Statement on July 10, 2024 [ECF No. 328]. ~~Debtor filed this~~ and its Supplement to its Disclosure Statement on August 19, 2024, ~~which~~ [ECF 387]. This Second Amended Disclosure Statement is filed as of September 4, 2024 and includes additional information not available at the time of filing the initial Disclosure Statement and the Supplement to the Disclosure Statement. In order to provide information in one document, this Supplement replaces the initial Disclosure Statement and Supplemental Disclosure Statement.

1 ANY SUCH MATTERS CONCERNING THIS DISCLOSURE STATEMENT AND THE
2 TRANSACTIONS CONTEMPLATED HEREBY.

3 NO PARTY IS AUTHORIZED TO GIVE ANY INFORMATION WITH RESPECT TO
4 THIS DISCLOSURE STATEMENT OTHER THAN THAT WHICH IS CONTAINED IN THIS
5 DISCLOSURE STATEMENT. NO REPRESENTATIONS CONCERNING DEBTOR OR THE
6 VALUE OF ITS PROPERTY HAVE BEEN AUTHORIZED BY DEBTOR OTHER THAN AS
7 SET FORTH IN THIS DISCLOSURE STATEMENT. ANY INFORMATION,
8 REPRESENTATIONS, OR INDUCEMENTS MADE TO OBTAIN AN ACCEPTANCE OF
9 THIS COMBINED PLAN AND DISCLOSURE STATEMENT OTHER THAN, OR
10 INCONSISTENT WITH, THE INFORMATION CONTAINED HEREIN SHOULD NOT BE
11 RELIED UPON BY ANY HOLDER OF A CLAIM OR EQUITY INTEREST. THIS
12 DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION
13 1125 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016(b), AND NOT IN
14 ACCORDANCE WITH FEDERAL, OR STATE SECURITIES LAWS OR OTHER NON-
15 APPLICABLE BANKRUPTCY LAWS. SEE SECTION VII BELOW, ENTITLED “CERTAIN
16 RISK FACTORS TO BE CONSIDERED” FOR A DISCUSSION OF CERTAIN
17 CONSIDERATIONS IN CONNECTION WITH A HOLDER OF AN IMPAIRED CLAIM
18 ENTITLED TO VOTE ON THE PLAN’S CONSIDERATION.

19 **I. INTRODUCTION**

20 Debtor Oceanwide Plaza LLC (the “Debtor”) is a chapter 11 debtor and debtor-in-
21 possession in the above-captioned chapter 11 case (this “Case”) provides the following disclosure
22 statement (the “Disclosure Statement”) pursuant to Sections 105, 1125, and 1129² of the
23 Bankruptcy Code. This case was initiated on February 13, 2024 (the “Petition Date”), by the filing
24 of an involuntary petition for relief against Debtor (the “Involuntary Petition”) under chapter 11 of
25 the Bankruptcy Code in the United States Bankruptcy Court for the Central District of California
26 (this “Court”) by Lendlease (US) Construction Inc., Standard Drywall, Inc., Star Hardware, Inc.,

27 ² References to sections shall refer to Title 11 of the United States Code (“Bankruptcy Code”), unless otherwise
28 referenced.

1 Woodbridge Glass Inc., and Mitsubishi Electric US, Inc. (collectively, the “Petitioning Creditors”).
2 On March 8, 2024, Debtor filed its *Answer* [ECF No. 27] to the Involuntary Petition and consented
3 to entry of an order for relief. On March 11, 2024 (the “Relief Date”), the clerk of the Court entered
4 the *Order for Relief* [ECF No. 29] (the “Relief Order”).

5 This document is the Disclosure Statement which describes Debtor’s Liquidating Plan of
6 Reorganization (“Plan”). October 8, 2024 (the “Voting Deadline”), is the last date by which ballots
7 accepting or rejecting the Plan must be received by counsel for the Debtor. Ballots must be
8 delivered in one of the following manners so that the Ballot is received by Debtor’s Solicitation
9 Agent by mail at Oceanwide Plaza LLC Ballot Processing c/o Stretto 410 Exchange, Suite 100,
10 Irvine CA 92602 or electronically under the “File a Ballot” tab at
11 <https://cases.stretto.com/OceanwidePlaza/>.

12 Chapter 11 of the Bankruptcy Code allows the debtor, and under some circumstances,
13 creditors, and other parties-in-interest, to propose a plan of reorganization. The Plan is a liquidating
14 plan that contemplates the sale of substantially all of Debtor’s assets. After the Plan is fully
15 administered, Debtor will be dissolved. The Plan provides for the closing of the sale of Debtor’s
16 Property, as defined below (the “Sale”), on or before the Effective Date, as defined below. The
17 Effective Date of the Plan (“Effective Date”) will occur when the following conditions to the
18 effectiveness of the Plan have been satisfied or waived by Debtor: (a) the Plan and all documents,
19 instruments, and agreements to be executed in connection with the Plan shall have been executed
20 and delivered by all parties to such documents, instruments, and agreements; (b) the Plan shall not
21 have been materially altered, amended or modified; (c) there shall be no ruling, judgment, or
22 ordered preventing or prohibiting the consummation of the Sale; and (d) the Sale has been closed
23 and consummated. The sale of the Property will provide the primary means for the implementation
24 of the Plan. All capitalized terms used in this Disclosure Statement are defined in the Plan and shall
25 be deemed to have the same definition as used in the Plan.

26 This Disclosure Statement contains, among other things, (i) a discussion of some of
27 Debtor’s history and business, (ii) a summary of some of the events leading to this Case, (iii) the
28

1 goal of the Case, (iv) risk factors associated with this Case, (v) a summary and analysis of the Plan,
2 and (vi) certain other related matters. Debtor is the proponent of the Plan within the meaning of
3 Section 1129.

4 Copies of this Disclosure Statement, the Plan, and all other documents related to this Case
5 are available for review without charge through Debtor's Notice and Claims Agent at
6 <https://cases.stretto.com/oceanwideplaza/> and with charge at <https://www.pacer.gov/>.

7 ALL HOLDERS OF CLAIMS AGAINST DEBTOR ARE ENCOURAGED TO READ
8 THIS DISCLOSURE STATEMENT IN ITS ENTIRETY, AND TO CONSULT WITH AN
9 ATTORNEY, BEFORE VOTING TO ACCEPT OR REJECT THE PLAN, SUBJECT TO
10 CERTAIN RESTRICTIONS AND REQUIREMENTS SET FORTH IN SECTION 1127,
11 BANKRUPTCY RULE 3019, AND IN THE PLAN, DEBTOR RESERVES THE RIGHT TO
12 ALTER, AMEND, MODIFY, REVOKE, OR WITHDRAW THE PLAN, OR ANY PART
13 THEREOF, PRIOR TO ITS SUBSTANTIAL CONSUMMATION. IF THERE ARE ANY
14 INCONSISTENCIES BETWEEN THIS DISCLOSURE STATEMENT AND THE PLAN, THE
15 TERMS OF THE PLAN WILL GOVERN.

16 II. BACKGROUND

17 A. Description and History of Debtor's Business and a Summary of the 18 Circumstances Which Led to the Filing of this Case.

19 Debtor's Business Operations

20 1. Debtor, a Los-Angeles based real estate developer, is an American subsidiary of a
21 global Chinese conglomerate. Oceanwide Real Estate Group (USA) Corp. ("OREG"), a Delaware
22 corporation, is Debtor's sole member and its manager. Debtor is part of a corporate family
23 consisting of other senior limited liability companies and is indirectly owned by Oceanwide
24 Holdings Co. Ltd, ("Oceanwide Holdings"), in Beijing, China. Debtor's relevant corporate affiliates
25 are shown on Exhibit 1.

26 2. Debtor was organized in 2013 to purchase a block in downtown Los Angeles across
27 from then Staples Center (now Crypto.com Arena), bounded by Figueroa, Flower, 11th and 12th
28

Streets (generally, the “Real Property”). Debtor purchased the Real Property that year for \$174 million. At the time, the Real Property consisted of an asphalt parking lot and a small two-story building.

3. The Debtor owns Oceanwide Plaza (the “Project”), an approximately 60-percent complete mixed-use development project in downtown Los Angeles. The Project is situated on the Real Property.

4. In connection with the Project, Debtor additionally acquired certain personal property which is both located at the Real Property and in possession of third parties (the “Personal Property”, and together with the Real Property, the “Property”).

5. The Project is across from Crypto.com Arena and consists of three uncompleted high-rise residential towers: two towers are 42 stories tall, and the other is 55 stories tall which includes a planned 11-story hotel. Each tower is built on a 6-story podium, consisting of parking, retail, dining, and office space, and a planned 2-story-high LED screen wrapped around the podium's Figueroa, 11th, and 12th street facades. The Project’s external construction is largely complete, but portions of the Project’s internal construction is unfinished.

6. The Project is part of the Los Angeles Sports and Entertainment District, which includes the Convention Center, Crypto.com Arena, LA Live, and the two 30-plus story Circa luxury apartment towers at 12th and Figueroa Streets. It is also part of a broader plan and long-standing goal of the City of Los Angeles (“LA City”) to develop this section of downtown Los Angeles into a Times Square-like destination zone with multi-story LED screens, entertainment venues, and night-time dining and clubs.

7. Debtor’s pre-petition funding arrangements are set forth in Section B below. For purposes of this Section and context, prior to the Petition Date, Debtor largely self-funded Project construction. However, for short-term needs, L.A. Downtown Investment LP (“LADI”) provided Oceanwide with up to \$325,000,000 in construction financing (the “Loan”). LADI disbursed \$136.5 million to Oceanwide, and Oceanwide re-paid \$11 million in principal, reducing the principal owed to \$125.5 million.

1 8. In 2014, Debtor hired RTKL Associates, Inc., now known as CallisonRTKL Inc., as
2 its architect, and Lendlease (US) Construction, Inc. (“Lendlease”) as construction manager, to
3 begin work on the Project and entered into separate contracts with them.

4 9. In 2015, the existing structure and parking lot were demolished, and excavation
5 began. Debtor hired Swinerton Management Consulting (“Swinerton”) to manage the construction
6 phase and supervise a general contractor.

7 10. In 2016, after a bidding process, Debtor hired Lendlease as its general contractor to
8 construct the Project and Lendlease then hired over forty subcontractors.

9 11. In March 2018, the Project “topped-out”: the high-rise towers were finished to their
10 top floors. Shortly thereafter, Debtor began loan negotiations with JPMorgan Chase Bank, N.A. for
11 a \$1.1 billion loan facility. These negotiations continued into 2019 but were ultimately not
12 successful.

13 **Debtor’s Liquidity Struggles and Pre-Petition Efforts to Reorganize**

14 12. In November 2018, Debtor began to have difficulty obtaining additional capital
15 transfers from its affiliates in China. Debtor believes that these funding difficulties arose for several
16 reasons, including regulatory restrictions by the Chinese government on current transfers and other
17 macro-economic conditions.

18 13. Debtor understands that as a result of its capital challenges, Lendlease demobilized
19 most of its subcontractors by mid- January 2019, but continued to perform a small amount of work.

20 14. Without access to capital, Debtor then pursued three alternative plans beginning in
21 later January 2019: 1) find alternative construction financing to complete the Project, 2) enter into a
22 joint venture agreement to complete the Project, or 3) sell the Project.

23 15. Debtor attempted to obtain alternative construction financing from January 2019 to
24 September of 2020, but was unable to close on such financing. Debtor believes that its efforts to
25 obtain alternative financing were negatively impacted by the COVID-19 pandemic and related
26 economic slowdown, which impacted both national and global lending markets.

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

1 16. Debtor then shifted to primarily focus on selling the Project in May 2021. Prior to
2 the Petition Date, Debtor was in serious negotiations with two potential purchasers who were in the
3 process of conducting due diligence; one who signed a Letter of Intent (“LOI”) in August 2023 and
4 the other who signed a LOI in September 2023.

5 **The Webcor Litigation**

6 17. Because Debtor failed to pay contractors, they recorded mechanic’s liens on the Real
7 Property. On January 31, 2019, a Lendlease subcontractor, Webcor Construction, LP, (“Webcor”)
8 sued to foreclose on its mechanic lien in Los Angeles Superior Court case number 19STCV03357
9 (the “State Court Action”)³, the first of 44 foreclosure cases filed against Oceanwide or Lendlease,
10 including Lendlease suing Oceanwide. Lendlease and 27 contractors also sued LADI for a
11 judgment holding their liens were superior to LADI’s deed of trust; and Lendlease and 7 contractors
12 also named LADI’s title insurance company, Chicago Title Insurance Company (“CTIC”). Webcor
13 also sued for declaratory relief that LADI’s deed of trust is invalid and unenforceable. LADI and
14 CTIC cross-sued Lendlease. All of these cases were consolidated into the State Court Action.

15 18. On March 22, 2023, the Superior Court resolved a threshold issue on cross-motions,
16 holding LADI’s Deed of Trust was senior to the contractors’ mechanic’s liens. The Superior Court
17 then trifurcated the State Court Action into three trials, which are known as Phase One, Phase Two,
18 and Phase Three. Phase Two was later continued to after Phase Three. A final judgment will be
19 entered incorporating each phase’s rulings after the last trial.

20 19. In the Phase One trial, the Superior Court ruled Debtor owes Lendlease:
21 (1) \$465,494.23 under Lendlease’s 2014 contract with Debtor; (2) \$2,512,743 for interest due
22 through October 2, 2019 under its 2016 contract with Debtor; (3) prompt payment penalties of
23 \$121,866,906 as of on or about March 14, 2024 under California Civil Code section 8800; and
24 (4) \$118,482,627, an aggregate amount stipulated by Debtor and Lendlease as owed by Debtor for
25 the reasonable value of work performed by Lendlease and subcontractors except Webcor.

26
27
28 ³ The description of the State Court Action provided in this Disclosure Statement is intended as a summary only and
not intended to be a complete description of all matters asserted and addressed in the State Court Action.

20. In the Phase Three trial, the Superior Court ruled Debtor owes Lendlease \$51 million for the reasonable value of work performed by Webcor.

21. The Phase Two trial involves Lendlease's and other subcontractors' challenges to the validity of LADI's Deed of Trust, LADI's and CTIC's cross-claims against Lendlease, and LADI's attempt to reduce Lendlease's lien. More specifically, Lendlease and certain subcontractors assert LADI's underlying loan is invalid because LADI and Debtor are one entity and raise certain other fraud-based claims against LADI. LADI, in turn, asserts Lendlease and its subcontractors subordinated their lien rights to LADI's deed of trust. Trial was set for June 2024, but was stayed (and vacated) when the Involuntary Petition was filed. This Court lifted the stay, effective June 13, 2024, to allow the State Court Action to continue through final judgment and appeals, and the Phase Two trial is set to start on October 28, 2024.

Debtor Is Working With LA City As A Result of International Attention Causing Security Issues

22. Oceanwide originally garnered international attention for its scale and ambition, its expected substantial economic impact on downtown Los Angeles, creating jobs and boosting the local economy. It later drew a different kind of focus.

23. Despite Debtor's lack of funds pre-petition, its security service agreed to provide two guards on a 24/7 full time basis. There were recent notable incidents, however, in the first quarter of 2024 involving graffiti and base jumping, including a group of graffiti artists and base jumpers that illegally accessed the unfinished skyscraper. These incidents were widely covered in the media and heightened the need for immediate security measures.

24. On February 9, 2024, the Los Angeles City Council unanimously adopted a resolution stating the Project "has been a blight on Downtown Los Angeles' South Park neighborhood," noting criminal activity had "increased exponentially" in early 2024, including trucks ramming into the Project's gates and driving into the building to facilitate copper wire theft, trespassers climbing hundreds of feet to tag windows with graffiti, and individuals base jumping from the top floor of the Project. LA City also issued an abatement notice ordering Debtor to

1 remove the graffiti and secure the property. Debtor was unable to comply with the abatement orders
2 due to its lack of funds and the City Council voted to allot nearly \$4 million to remove graffiti and
3 secure the Property.

4 25. Since February 1, 2024, the Los Angeles Police Department has had a constant
5 presence at the site. It had allocated significant manpower to this effort to hold the perimeter of the
6 property. It began installing a 14-foot high, stagger-perforated steel-sheet fence (i.e., anti-climb
7 fencing) around the Project on February 23, 2024, and started to installed razor wire in an area
8 deemed particularly prone to breach.

9 26. Debtor took over these security efforts once it secured DIP Financing.

10 27. As noted above, Lendlease and four other creditors filed an involuntary bankruptcy
11 petition against Debtor on the Petition Date.

12 28. Through the DIP Financing, described below, Debtor is working with LA City to
13 safeguard the Property, pay the cost of security, increased to six 24/7 private security guards, and
14 implement other security measures to prevent trespassing such as the installation of razor wire and
15 blocking off entrances to protect the Property and reduce access for potential trespassers.

16 **B. Pre-Petition Financing Arrangements**

17 31. Debtor has self-funded construction of the Project with approximately \$956.6
18 million in capital transfers and received approximately \$118.4 million in inter-company loans
19 (summarized below). The capital transfers made up about 80% of the funding.

20 32. For short-term needs, and as noted above, Debtor obtained a credit line with a \$325
21 million limit from LADI. Debtor understands that LADI is an investment vehicle deployed under
22 the federal government's EB-5 Immigrant Investor visa program. The credit line extended by LADI
23 (generally, the "EB-5 Loan") is evidenced by a \$325 million *Promissory Note* which is secured by
24 a *Deed of Trust* in favor of LADI (the "EB-5 Deed of Trust"). Debtor understands that LADI
25 recorded the EB-5 Deed of Trust against the Property in 2015 to secure repayment of any
26 disbursements under the EB-5 Loan.

33. LADI has disbursed approximately \$136.5 million to Oceanwide. Oceanwide repaid \$11 million of the principal, reducing the principal amount of the debt to \$125.5 million, which together with interest, late fees, etc., remains outstanding.

34. In sum, between the self-funded capital transfers and intercompany loans, and the EB-5 Loan disbursements made by LADI, Debtor has invested approximately \$1.20 billion in the Project's construction:

Capital and Debt	Amount
<i>Capital Transfer</i>	
China Oceanwide Holdings Limited	\$956,527,033.22
Subtotal	\$956,527,033.22
<i>Debt</i>	
L.A. Downtown Investment LP	\$136,500,000.00
Oceanwide Real Estate Group (USA) Corp.	\$95,000,000.00
Oceanwide Investment Three (Hungry) Limited Liability Company	\$23,400,000.00
Subtotal	\$254,900,000.00
TOTAL	\$1,211,427,033.22

C. Events During Debtor's Chapter 11 Case.

a. Employment of Professionals and Consultants

Debtor has employed, and the Court has authorized the employment of, the following professionals: Bryan Cave Leighton Paisner, LLP ("BCLP") as chapter 11 bankruptcy counsel [ECF No. 298]; Stretto, Inc. ("Stretto") as claims, noticing and solicitation agent ("Claims and Noticing Agent") [ECF No. 315]; Bradley Sharp and Development Specialists, Inc. ("DSI") as Debtor's Chief Restructuring Officer ("CRO") [ECF No. 306]; B. Riley Advisory Services ("B. Riley") as Financial Advisor [ECF No. 311]; and Colliers International greater Los Angeles, Inc. ("Colliers") and Hilco Real Estate, LLC ("Hilco," and collectively with Colliers, the "Brokers") as real estate brokers [ECF No. 268].

b. Claims Bar Date

At a hearing dated March 29, 2024, and by order of the Court, the Court established a deadline for creditors to file proofs of claim against Debtor. [ECF No. 89]. On April 18, 2024, Debtor submitted its Notice of Bar Date for Filing Proofs of Claim in a Chapter 11 Case [ECF No.

159] which provided for a general bar date for creditors of June 26, 2024, and a governmental claim bar date of September 7, 2024.

c. *Summary of Scheduled and Filed Claims*

Attached as **Exhibit 2** is a chart for each of the claims that Debtor identified in its schedules and each proof of claim with the asserted amount of that claim that has been filed against Debtor along with the amounts and status of each such claim.

Below is a summary of the total scheduled claims by Debtor and the total filed claims by creditors:

i. Secured Claims

Debtor scheduled a total of approximately \$370,730,000 in secured claims, plus super-priority liens granted to DIP Lender in the original principal amount of \$9,186,943, plus DIP Lender's reasonable counsel fees and other expenses, and interest. Approximately \$372,000,000 in secured claims have been asserted against Debtor in timely filed proofs of claim.

ii. Priority Tax Claims

Debtor scheduled a total of approximately \$145,000 in priority tax claims. Approximately \$319,000 in tax priority claims have been asserted against Debtor in timely filed proofs of claim.

iii. Non-Tax Priority Claims

Debtor has scheduled a total of approximately \$60,600 of non-tax priority claims, representing wage claims owed to Debtor's employees. Approximately \$79,600 in non-tax priority claims have been asserted against Debtor in timely filed proofs of claim.

iv. General Unsecured Claims

Debtor scheduled a total of approximately \$176,700,000 in non-priority general unsecured claims. Approximately \$345,176,000 in non-priority general unsecured claims have been asserted against Debtor in timely filed proofs of claim. This amount does not include unsecured intercompany loans, which are more fully set out below.

v. Intercompany Loans

Debtor owes a total of approximately \$219,300,000 in intercompany loans, inclusive of interest, which accrued prior to the Petition Date (the “Intercompany Loan Claims”). The intercompany loan claims stem from two loans made to Debtor. First, is a loan which was disbursed in multiple installments from October of 2014 to September of 2015 in the total original principal amount of \$23.4 million, with annual interest accruing at 11.5%, which is currently held by Oceanwide Investment Three (Hungary) Limited Liability Company. Second is a loan disbursed in December 2013 in the original principal amount of \$95 million, with annual interest accruing at 6.5%, which is currently held by Oceanwide Real Estate Group (USA) Corp.

Debtor’s investigation of the Intercompany Loan Claims remains ongoing. To the extent that the allowance of the Intercompany Loan Claims is not resolved on or prior to the Effective Date, the Liquidating Trust will continue any such investigation, and if warranted, prosecute objections to remaining claims. Debtor intends to pay the Allowed Intercompany Loans *in pari passu* with the holders of General Unsecured Claims.

d. DIP Financing

The ability of Debtor to continue to protect and maintain the Property during the pendency of this Case was dependent on Debtor acquiring post-petition financing. Debtor filed a *Motion for Entry of Interim and Final Orders (I) Authorizing the Debtor to Obtain Postpetition Financing, (II) Granting Liens and Superpriority Administrative Expense Claims, (III) Modifying the Automatic Stay and (IV) Scheduling a Final Hearing* [ECF No. 40] (the “DIP Financing Motion”) on March 12, 2024. Debtor initially sought a \$10 million dollar secured credit facility (“DIP Financing”) from B.H. Capital Ventures, LLC (the “Original DIP Lender”), priming prepetition secured creditors, including, among others, LADI, Lendlease and the County of Los Angeles. Debtor set the DIP Financing Motion for an emergency hearing for March 14, 2024 (the “Initial DIP Hearing”).

Prior to the Initial DIP Hearing, Debtor received (i) three objections to the DIP Financing Motion filed by the County of Los Angeles (“LA County”) [ECF No. 59] Lendlease [ECF No. 50], and LADI [ECF No. 54], (ii) one joinder filed by petitioning creditor Woodbridge Glass Inc. [ECF

No. 51], and (iii) informal comments from the Office of the United States Trustee (the “US Trustee”). Debtor eventually selected DTLA Lending LLC as the lender for the DIP Financing (the “DIP Lender”) and the Court eventually authorized Debtor to borrow on an interim basis, an amount up to \$1,449,222 and entered its *Interim Order (I) Authorizing the Debtor to Obtain Postpetition Financing, (II) Granting Liens and Superpriority Administrative Expense Claims, (III) Modifying the Automatic Stay, and (IV) Scheduling a Final Hearing* [ECF No. 176] (the “Interim DIP Order”) on April 26, 2024. Debtor then requested authorization to borrow the remainder of the DIP Financing at the final hearing on the DIP Financing Motion scheduled for May 9, 2024 (the “Final DIP Hearing”).

Debtor successfully negotiated a resolution to the DIP Financing and the remaining objection was withdrawn. The Court entered its *Final Order (I) Authorizing the Debtor to Obtain Postpetition Financing, (II) Granting Liens and Superpriority Administrative Expense Claims, and (III) Modifying the Automatic Stay* [ECF No. 229] (the “Final DIP Order”) on May 16, 2024. Per the terms of the Final Order, and Debtor’s resolution of the remaining objection, the Court authorized Debtor to borrow up to \$9,186,943 (inclusive of approved interim financing), pursuant to a specific budget, with Debtor obligated to repay the principal amount borrowed, plus DIP Lender’s reasonable counsel fees and other expenses, and interest which accrues at the annual rate of 4.5%, all as set forth in the Final DIP Order, DIP Credit Agreement and related documents.

e. Limited Relief from Stay Regarding the State Court Action

On March 28, 2024, LADI submitted its *Motion for Relief from the Automatic Stay as to Nonbankruptcy Action* [ECF No. 80] (the “Relief from Stay Motion”) alleging, among other things, that LADI’s dispute with Lendlease concerning the priority of their respective liens should be resolved in the State Court Action. On April 11, 2024, Debtor submitted its Objection to LADI’s Motion for Relief From Stay [ECF No. 141] (the “Debtor Stay Relief Objection”). Lendlease filed a joinder and supporting evidence to the Debtor Stay Relief Objection [ECF No. 143]. The Court held a hearing on the Relief from Stay Motion on May 15, 2024, and, on May 29, 2024, the Court entered its *Order Granting Motion for Relief from the Automatic Stay Under 11 U.S.C. § 362* [ECF

No. 241] (the “Stay Relief Order”) which, among other things, terminated the automatic stay as to Debtor and Debtor’s estate for all parties and stated that such parties could proceed to a final judgment, including appeals, in accordance with non-bankruptcy law. The automatic stay was not terminated with respect to any effort to enforce any judgment rendered in the State Court Action or to collect any claim against Debtor. As of the date of this Disclosure Statement, the State Court Action remains pending.

f. U.S. Trustee’s Motion to Dismiss Denied

On June 6, 2024, the United States Trustee filed its *Notice of Motion And Motion Under 11 U.S.C. § 1112(B) To Dismiss, Convert, Or Direct The Appointment Of A Chapter 11 Trustee, Or For A Deadline To Obtain Insurance* [ECF No. 294] (the “UST Motion to Dismiss”). Oppositions to the Motion to Dismiss were filed by Debtor, LA City, and Lendlease [ECF Nos. 333, 334 and 342] and joinders to the oppositions were filed by Secured Creditor and Mechanic’s Lien Creditor Bragg Investment Co., Inc. [ECF No. 348], ACCO Engineered Systems, Inc., Bapko Metal, Inc., and Marin Bros / Marcowall, Inc. [ECF No. 349]. The UST filed its Omnibus Reply on July 18, 2024 [ECF No. 350]. At the hearing held on July 25, 2024, the Court denied the UST Motion to Dismiss, and entered its order to that effect on July 26, 2024. [ECF No. 371].

g. Settlement-Efforts / Mediation With Consulting Parties

In late April 2024 / early May 2024, Debtor, LADI, Lendlease, CTIC and LA City started to engage in serious negotiations to resolve objections to DIP Financing and to work on a path to consensually move the chapter 11 case forward. The informal settlement-efforts resulted in a consensual resolution of the Final DIP Order that included an agreement to convene confidential regular meetings with these parties (now known as the “Consultation Parties”) and an agreement to mediate with the Honorable Randall Newsome (Ret.). An *Order Approving Stipulation To Approve Confidentiality And Nondisclosure Agreement* was entered on June 25, 2024. [ECF No. 292].

During the mediation, Debtor and the Consulting Parties agreed on the sale process and deadlines regarding the sale and the disclosure statement and plan of reorganization. Judge Newsome has agreed to remain “on call” to assist the parties with disputes, if any, as they arise, to

1 try to avoid formal litigation that will delay the sale process and in return, delay or put into jeopardy
2 a return to creditors.

3 *h. Bidding Procedures / Sale of Property*

4 The sale of the Property is crucial to the consummation of the plan. On June 12, 2024, the
5 Court entered an *Order Granting Debtor's Motion to (I) Approve Auction and Bid Procedures for*
6 *the Sale of Property; (II) Scheduling an Auction and Approving the Form and Manner of Notice*
7 *Thereof; and (III) Granting Related Relief* [ECF No. 276] (the "Bid Procedures Order"). Pursuant
8 to the terms of the Bid Procedures Order, (a) bid procedures are approved ("Bidding Procedures")
9 regarding the sale and auction of Debtor's Property; (b) Debtor is authorized, in consultation with
10 the Consultation Parties, upon notice and a hearing, to designate a stalking horse ("Stalking Horse
11 Bidder") and to provide any such Stalking Horse Bidder with certain bid protections ("Bid
12 Protections") in the form of expense reimbursements and/or a breakup fee; and (c) in the event an
13 auction is held to sell Debtor's Property ("Auction"). On July 9, 2024, the Court entered an *Order*
14 *Approving Stipulation To Modify Certain Sale Schedule Dates* [ECF No. 319] (the "First Modified
15 Bid Procedures Order"). The First Modified Bid Procedures Order 1) extended the deadline to
16 select a Stalking Horse Bidder from July 1, 2024, to July 3, 2024; 2) extended the deadline for the
17 Debtor to file a notice of selection of Stalking Horse Bidder to July 16, 2024; and 3) continued a
18 hearing on a proposed Stalking Horse Bidder and Bid Protections from July 10, 2024 at 1:00 p.m.
19 to July 23, 2024 at 3:00 p.m. On July 3, 2024, the Debtor selected a proposed stalking horse bidder
20 subject to the Debtor's continued due diligence. However, Debtor was not satisfied with the results
21 of this due diligence and did not proceed with that party as the stalking horse bidder at that time.

22 Debtor requested that the Court extend the time for Debtor to select a stalking horse bidder
23 and approve a 2.5 % breakup fee that Debtor may offer to a potential Stalking Horse Bidder without
24 further order of the Court (the "Break-Up Fee"). After additional briefing and evidence, the Court
25 entered its *Modified Order Granting Debtor's Motion To (I) Approve Auction And Bid Procedures*
26 *For The Sale Of Property; (II) Scheduling An Auction And Approving The Form And Manner Of*
27 *Notice Thereof; And (III) Granting Related Relief.* [ECF No. 374] (the "Second Modified Bid
28

1 Procedures Order”). The Second Modified Bid Procedures Order further modified certain sale and
2 plan and disclosure statement dates. Debtor is keeping the Consultation Parties apprised of its
3 discussions with potential stalking horse bidders, subject to a confidentiality agreement executed
4 by Debtor and each of the Consultation Parties.

5 The deadline for interested parties to submit bids is August 15, 2024 (the “Bid Deadline”)
6 and an auction is scheduled for September 19, 2024. After the bidder with the highest and best bid,
7 or the second highest and best bid as applicable (the “Winning Bidder”) is identified, through the
8 auction or otherwise, Debtor will then seek approval of the sale through the process set forth in
9 ~~its~~it’s liquidating Chapter 11 Plan, pursuant to the Court’s Order confirming that plan. The closing
10 of the sale of the Property will occur on or before the Effective Date. Debtor anticipates using the
11 amount received from the Winning Bidder, or the Back-Up Bidder, as the case may be, after all
12 costs and expenses are deducted from the gross proceeds arising from the sale of an asset, or a
13 deduction of \$200,000 (the “Post-Confirmation Reserve”), (the “Sale Proceeds”) to fund the
14 administrative expenses for the Liquidating Trust which will administer this Plan following the
15 Effective Date (the “Liquidating Trust”), to satisfy creditors as set forth in Section III, below.

16 **III. PLAN SUMMARY**

17 A summary of the composition of each of the classes under the Plan and the treatment of
18 the members of each class is below.⁴ In accordance with Section 1123(a)(1), Debtor has not
19 classified administrative claims, priority tax claims, and professional fee claims. Debtor anticipates
20 receiving bids by the Bid Deadline which will provide for a purchase price sufficient to pay Classes
21 1 through 5 below in full. There is also a possibility that competitive bidding will result in a greater
22 return and that additional classes will be paid in full. It is possible that Debtor will be unable to
23 come to an agreement with a bidder, or that any bid may not be consummated, and the final sale
24 price may be lower. Additionally, to the extent there are any disputes as to the amount or priority
25 of payments to each of the classes set forth below, the amount of the Sale Proceeds subject to such
26

27 _____
28 ⁴ Please see Exhibit 2 for a schedule for a list of scheduled claims and filed proofs of claim with the asserted amount
for each claim.

dispute will be placed in an interest-bearing escrow account pending a final order of the Court with respect to such dispute.

Class 1 – Secured Tax Claims. Debtor scheduled \$18,463,711.62 in tax claims which are secured by tax liens on the Property, which have priority over all other secured claims on the Property including the DIP Facility Claims, described below. Debtor intends to pay all Secured Tax Claims in full from the Sale Proceeds.

Class 2 – LADI Secured Claim. Debtor believes that the LADI Secured Claim is approximately \$125,000,000, plus interest, fees, expenses and any other amounts allowed under the applicable loan documents. ~~A dispute exists between LADI and Lendlease concerning the~~

~~priority of the LADI Secured Claim and the Lendlease Secured Claims liens on the Property.~~ Debtor anticipates paying the LADI Secured Claim in full from the Sale Proceeds. To the extent that the Sale Proceeds are insufficient to pay the LADI Secured Claim, Lendlease Secured Claims and Other Secured Claims in full, ~~Debtor will deposit the Sale Proceeds, less the amounts paid to satisfy the (1) the obligations owed to the DIP Lender in full unless otherwise agreed by the DIP Lender, (2) administrative claims not otherwise satisfied by the DIP Facility (3) the closing costs in the approximate amount of 2% of the Purchase Price plus any commission due to the Brokers, which will be no more than 1.5% of the sale price of the Property; (4) the LA County Tax Claim in the approximate amount of \$27,000,000; (5) any amounts required to be remitted to the Liquidating Trustee to wind up the estate; and (6) if applicable, the Break-Up Fee (collectively, the “Reserve Proceeds”) into a blocked segregated account to be maintained by Debtor for the benefit of the Holders of or if the LADI Secured Claim, Lendlease Secured Claims and Other Secured Claims with all such liens, claims, encumbrances and/or interest of is otherwise disputed in whole or in part, then the LADI Secured Claim, Lendlease Secured Claims and Other Secured Claims to the Property to attach to the Reserve Proceeds in the same order and priority as they previously attached to the Property. The Reserve Proceeds shall be released from the blocked account only upon: (i) Final Order of the Bankruptcy Court, or other court of competent jurisdiction, regarding the respective priorities of the LADI Secured Claim, Lendlease Secured Claims, and any secured~~

~~claims asserted against Debtor that are not LADI Secured Claim or Lendlease Secured Claims, which some or all of those creditors may have priority over LADI Secured Claim or Lendlease Secured Claims (“Other Secured Claims”) or (ii) by written agreement of the Holders of the LADI Secured Claim, Lendlease Secured Claims and Other Secured Claims (the “Disputed Secured will be subject to the Disputed Creditor Reserve Treatment”), as defined in Section 9(C)(4) below and will only be paid as provided for in that Section, unless the parties otherwise agree.~~

Class 3 – Lendlease Secured Claims. Debtor believes that the Lendlease Secured Claims total approximately \$170,730,330. The amount set forth in the Lendlease Secured Claims includes direct claims held by Lendlease against Debtor and secured claims held by subcontractors that Debtor and Lendlease are jointly liable.

Debtor has divided Class 3 into two subclasses. Class 3(a) includes the secured claims held directly by Lendlease. Class 3(b) includes the Secured Claims held by subcontractors of Lendlease for which Debtor and Lendlease are both liable, including Claims of subcontractors to Lendlease which have been or may be assigned to Lendlease or any of its affiliates.

Following the Effective Date, the Liquidating Trustee shall identify which claims have been paid by Lendlease and which remain unpaid pursuant to the terms of the Liquidating Trust Agreement. The Liquidating Trust will make a distribution of an allowed Class 3(b) claim directly to the subcontractor, unless it is determined that the Holder of the Class 3(b) claim was paid by Lendlease. In that case, the distribution shall be paid to Lendlease.

Debtor anticipates paying the Lendlease Secured Claims in full from the Sale Proceeds. To the extent that the Sale Proceeds are insufficient to pay the LADI Secured Claim, Lendlease Secured Claims and Other Secured Claims in full, ~~Debtor will deposit the Reserve Proceeds to be release in accordance with~~ or if the Lendlease Secured Claim is otherwise disputed in whole or in part, then the Lendlease Secured Claim will be subject to the Disputed ~~Secured~~ Creditor Reserve Treatment, as defined in Section 9(C)(4) below and will only be paid as provided for in that Section, unless the parties otherwise agree.

1 *Class 4 – Other Secured Claims.* Debtor believes that there are approximately \$15,000,000
2 in other secured claims asserted against the Property, largely representing mechanics lien claimants.
3 Some creditors in Class 4 may have a senior priority lien to Class 3 or Class 4 creditors. Debtor
4 anticipates paying the Other Secured Claims in full from the Sale Proceeds. To the extent that the
5 Sale Proceeds are insufficient to pay the LADI Secured Claim, Lendlease Secured Claims and
6 Other Secured Claims in full, ~~Debtor will deposit the Reserve Proceeds to be release in accordance~~
7 ~~with~~ if an Other Secured Claim is otherwise disputed in whole or in part, then the Other Secured
8 Claim will be subject to the Disputed ~~Secured~~-Creditor Reserve Treatment, as defined in Section
9 9(C)(4) below and will only be paid as provided for in that Section, unless the parties otherwise
10 agree.

11 ~~*Class 5 – Arcadis Inc., formerly known as CallisonRTKL Inc. and RTKL Associates Inc.*~~
12 ~~Class 5 consists of the~~ executory contract with Arcadis Inc., the architect for the Project (the
13 ~~“Architect”). The Architect timely filed a Proof of Claim, claim number 28-1 in the amount of~~
14 ~~\$2,411,799.98 (as may be amended, stipulated to, or otherwise established, the “Architect Claim~~
15 ~~Amount”)~~ for architectural services performed in connection with that certain Agreement dated as
16 of May 26, 2014, by and between Tohigh Construction Investment LLC, and RTKL Associates
17 Inc., as amended and supplemented from time to time (the ~~“Architect Agreement”~~). Debtor’s rights
18 to dispute the additional amount of the claim is reserved if Architect’s claim is amended to increase
19 the amount of the claim from the amount set forth above. The amount of any such dispute, if any,
20 shall be reserved and transferred to the Liquidating Trust (the ~~“Potential Architect Reserve”~~).

21 ~~Architect owns the copyright in the Architect’s instruments of service (including~~
22 ~~architectural plans, specifications, designs, associated renderings, and any electronic format thereof~~
23 ~~including BIM and AutoCAD) (the “Instruments of Service”), which Instruments of Service may~~
24 ~~not be used in connection with the bidding or sale process without Architect’s written consent.~~

25 ~~Debtor has elected to assume (or assume and assign) the Architect Agreement and will cure~~
26 ~~any defaults at closing (less the Potential Architect Reserve) by paying the Architect Claim Amount~~
27 ~~from Sale Proceeds on the Effective Date. Upon such assumption of the Architect Agreement,~~

1 including payment of the Architect Cure Amount: (a) Architect shall have no duty to continue to
2 perform under the Architect Agreement (other than as set forth below), (b) Debtor (or an assignee)
3 shall have no obligation to continue to perform under the Architect Agreement post-closing, and
4 (c) Architect shall have no further pre-petition or post-petition rights, title or claims against Debtor
5 or the estate (other than its rights under the Plan, which are expressly preserved, and its rights under
6 any New Architect Agreement, if applicable). ~~Classes 1 and 5 are not impaired and will not be~~
7 ~~entitled to vote on the Liquidating Plan.~~

8 Upon the cure of defaults under the Architecture Agreement as provided for herein,
9 including, without limitation, payment of the Architect Claim Amount less the Potential Architect
10 Reserve, Architect will grant a license to Debtor or a buyer of Debtor's assets if the Architect
11 Agreement is assumed and assigned to such buyer (a "Recipient Party"), which license shall (a)
12 allow such Recipient Party to use Architect's Instruments of Service created before the Petition
13 Date under the Architect Agreement and (b) be subject to the following conditions:

14 ~~1. Any use by Debtor or Recipient Party of the Instruments of Service shall be limited to~~
15 ~~and strictly comply with the permitted uses and other provisions of the Architect Agreement or as~~
16 ~~otherwise agreed to by Architect in writing.~~

17 ~~2. The license will be limited to the Project, non-exclusive, and subject to the uses and~~
18 ~~other provisions of the Architect Agreement.~~

19 ~~3. Any Recipient Party must fully indemnify and release the design team from any claims~~
20 ~~by buyer and/or third parties arising out of any use or modification of the Instruments of Service.~~

21 ~~4. All of the design teams' logos and any identifying marks must be removed from the~~
22 ~~Instruments of Service.~~

23 ~~5. Any subsequent architects must seal/stamp the Instruments of Service and take on~~
24 ~~responsible charge as the architect of record.~~

25 ~~6. Debtor or any Recipient Party will identify Architect as the design architect.~~

26 Any post-petition license fee or agreement for post-petition services ("New Architect
27 Agreement") must be separately negotiated between Architect and any Recipient Party. Architect
28

1 ~~agrees, however, that it is generally willing to remain as the Architect of record for the project~~
2 ~~under the following terms and conditions, subject to formal documentation between Architect and~~
3 ~~buyer:~~

4 1. ~~The other provisions herein relating to Architect's pre-petition claim have been fully~~
5 ~~complied with, including payment in full of Architect's pre-petition claim as part of the cure~~
6 ~~provided for above.~~

7 2. ~~Recipient Party reactivates or purchases project-specific professional liability policy~~
8 ~~reasonably acceptable to Architect.~~

9 3. ~~Recipient Party hires an independent, third-party forensic consultant to review the~~
10 ~~project and assess the current status of the Project.~~

11 4. ~~Architect and Recipient Party reaching agreement on the scope, schedule, and fees~~
12 ~~for remaining services.~~

13 Class 5 – Reserved. *Class 6 – Other Priority Claims.* Debtor believes that certain of its
14 employees hold Other Priority Claims that are entitled to priority under the Bankruptcy Code in the
15 approximate amount of \$205,500. Debtor anticipates paying the Holders of Other Priority Claims
16 in full from the Sale Proceeds. However, in the event that the remaining Sale Proceeds are
17 insufficient to pay the Other Priority Claims in full, then the Holder of each such Other Priority
18 Claim shall be paid *pro rata* from the remaining Sale Proceeds based on the size of each Holder's
19 Other Priority Claim. If any Other Priority Claim is disputed, in whole or in part, then such Other
20 Priority Claim will be subject to the Disputed Creditor Reserve Treatment, as defined in Section
21 9(C)(4) below and will only be paid as provided for in that Section, unless the parties otherwise
22 agree.

23 *Class 7 – General Unsecured Claims.* Debtor believes that there are approximately
24 \$176,700,000 in unsecured claims, excluding intercompany loans, in this estate.⁵ Debtor anticipates
25 making a distribution to unsecured creditors, ~~the minimum which will be determined after July 16,~~
26 ~~2024, when Debtor files its Designation of a Stalking Horse Bidder.~~ The ultimate recovery of
27

28 ⁵ A breakdown of each of the unsecured claims is set forth in Schedule 1 to this Disclosure Statement.

Holders of General Unsecured Claims will depend on the Sale Proceeds generated by the Sale. Debtor believes that such recovery could be high as 100% of the amount of General Unsecured Claims asserted. However, the Holders of General Unsecured Claims could receive no distribution, depending on the final amount of the Sale Proceeds. ~~Following any designation of a Stalking Horse Bidder, Debtor intends to supplement this disclosure statement to identify the amount of such bid and provide an illustrative chart showing the anticipated distribution of claim holders, assuming the stalking horse bid is consummated.~~ If any General Unsecured Claim is disputed, in whole or in part, then such General Unsecured Claim will be subject to the Disputed Creditor Reserve Treatment, as defined in Section 9(C)(4) below and will only be paid as provided for in that Section, unless the parties otherwise agree. To the extent that any claims initially included in Class 7 are re-characterized and Allowed as equity interests, they will be instead by included in Class 10 below.

Class 8 – Intercompany Claims. Debtor owes a total of approximately \$219,300,000 in Intercompany Loan Claims. Debtor intends to pay Allowed Intercompany Loan Claims *in pari passu* with the General Unsecured Claims outlined in Class 7 above. If any Intercompany Claim is disputed, in whole or in part, then such Intercompany Claim will be subject to the Disputed Creditor Reserve Treatment, as defined in Section 9(C)(4) below and will only be paid as provided for in that Section, unless the parties otherwise agree. To the extent that any claims initially included in Class 8 are re-characterized and Allowed as equity interests, they will be instead by included in Class 10 below.

Class 9 – Subordinated Claims. Class 9 shall consist of all Claims that is subject to (a) subordination under Section 510(b), or (b) equitable subordination, as the Bankruptcy Court determines in a Final Order (“Subordinated Claims”). To date, no Claims scheduled or filed in this matter are Subordinated Claims under this Class 9. If any Subordinated Claim is disputed, in whole or in part, then such Subordinated Claim will be subject to the Disputed Creditor Reserve Treatment, as defined in Section 9(C)(4) below and will only be paid as provided for in that Section, unless the parties otherwise agree.

1 *Class 910 – Equity Holders.* The equity structure of Debtor will remain unchanged as a
2 result of the Plan and the Confirmation Order. In the event that the Sale Proceeds are sufficient to
3 pay the claims of Classes ~~1-81-9~~ above, any such remaining Sale Proceeds shall be distributed to
4 Equity Holders, in accordance with their interest in Debtor. Class 910 will be entitled to vote on
5 the Liquidating Chapter 11 Plan.

6 **IV. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS.**

7 **A. What Creditors and Interest Holders Will Receive Under the Plan.**

8 As required by the Bankruptcy Code, the Plan classifies claims and interests in various
9 classes according to their right to priority. The Plan states whether each class of claims or interests
10 is impaired or unimpaired. The Plan provides the treatment each class will receive, as described in
11 Section III above.

12
13
14 **B. Unclassified Claims.**

15 Certain types of claims are not placed into voting classes; instead, they are unclassified.
16 They are not considered impaired, and they do not vote on the Plan because they are automatically
17 entitled to specific treatment provided for in the Bankruptcy Code. As such, Debtor has not placed
18 the following claims in any class:

19 **1. DIP Facility Claims.**

20 The DIP Facility is for the original principal amount of \$9,186,943. Debtor anticipates
21 seeking authority to borrow an additional \$3 million dollars under the DIP Facility. Therefore,
22 Debtor anticipates that advances under the DIP Facility will amount to no more than ~~\$11~~14 million,
23 inclusive of interest, fees, costs, and other expenses. Debtor is liable to DIP Lender for all amounts
24 borrowed, plus interest, fees, expenses and any other amounts allowed under the Final DIP Order.
25 The DIP Facility Claim is secured by, among other things, a priming lien on the Property with
26 priority above all other interests, except the Secured Tax Claims. Debtor anticipates paying the DIP
27 Facility Claims in full from the Sale Proceeds upon the closing of the Sale.

2. **Administrative Claims.**

Administrative claims are claims for costs or expenses of administering Debtor's chapter 11 case which are allowed under Bankruptcy Code Section 507(a)(2) ("Administrative Claims"). The Bankruptcy Code requires that all allowed administrative expense claims be paid in full on the Effective Date unless a particular claimant agrees to a different treatment. The Liquidating Trustee will pay all allowed § 507(a)(2) Administrative Claims, that are not otherwise paid with the DIP Financing, either (i) on or prior to the Effective Date, or (ii) at the time such Administrative Claims are allowed by the Court or as soon thereafter as is practicable. The Liquidating Trustee will pay all such allowed Administrative Claims out of the Sale Proceeds. The Debtor anticipates that all administrative claims will be paid as of the Effective Date of the Plan and that the only claims that will accrue are those set forth in the Final DIP Order, as amended.

3. **Professional Fee Claims.**

Professional Fee Claims are Administrative Claims that are also Unclassified. The Court must approve all professional fees and expenses before they may be paid. For all professional fees and expenses, except fees owing to the Clerk of the Bankruptcy Court and fees owing to the U.S. Trustee, the professional in question must file and serve a properly noticed fee application and the Court must rule on the application. Only the amount of fees and expenses allowed by the Court will be required to be paid under the Plan. Much of the professional fees and expenses that will be owed as Administrative Claims following Plan Confirmation will be dependent upon whether Debtor is required to engage in any substantial litigation regarding Plan Confirmation, objecting to any Disputed Claims, or estimating any contingent or unliquidated Claims. By voting to accept the Plan, creditors are not acknowledging the validity of, or consenting to the amount of, any Administrative Claims, and creditors are not waiving any of their rights to object to the allowance of any administrative expense claims. Similarly, Professionals who have been employed in these cases are not being deemed to have agreed to any cap on the amount of fees and expenses that they have incurred or are entitled to seek to be paid pursuant to Court order. Debtor also reserves all rights to file objections to any such asserted Administrative Claims.

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

2. **Sale of the Property.** The sale of the Property is crucial to the consummation of the Plan. On or before the Effective Date, Debtor shall consummate the Sale, and any other transactions contemplated by the Purchase and Sale Contract. Upon consummation of the Sale, the Property shall be transferred and vest in the Winning Bidder (or Backup Bidder). Upon entry of the Confirmation Order by the Bankruptcy Court, the Sale and Purchase and Sale Contract will be deemed approved. The Sale Proceeds generated by the Sale of the Property will be used to pay allowed claimholders, in the priority outlined in Section II above.

3. **Liquidation of Plan Administration Assets⁶.** On the Effective Date, the trustee of the Liquidating Trust (the "Liquidating Trustee"), who Debtor anticipates will be Bradley Sharp with Development Specialists, Inc., shall accept authority over the Plan Administration Assets, which will include any Personal Property not sold to the Winning Bidder and the Post-Confirmation Reserve, as Liquidating Trustee. The Liquidating Trustee may abandon or otherwise not accept any assets that Liquidating Trustee believes, in good faith, have no value to the administration of the Plan or the Wind Down. As of the Effective Date, all unencumbered assets vested as Plan Administration Assets and all unencumbered assets dealt with in the Plan shall be free and clear of all liens, claims, and equity interests except as otherwise specifically provided in the Plan or in the Confirmation Order. Among other powers, the Liquidating Trustee shall have the power to liquidate the Plan Administration Assets and use such funds to pay the holders of allowed claims in the priority outlined above. The Liquidating Trust will remain in place to, among other things, allow for the resolution of any priority disputes between secured creditors and to pay the Priority Tax Claims over time pursuant to 11 U.S.C. § 1129(a)(9)(C)(ii).

4. **Transfer to the Liquidating Trust.** As of the Effective Date, all remaining assets and property of Debtor will be transferred to the Liquidating Trust. For the avoidance of doubt, Debtor's books and records will be included in any such transfer. The Liquidating Trust will be Debtor's successor to all rights and privileges, including attorney client privilege. The Liquidating Trust will be funded through either: (a) Sale Proceeds, to the extent that they are enough

⁶ A copy of the proposed Liquidating Trust will be provided ~~in connection with the motion to confirm~~ the Plan Supplement.

1 to pay all secured Claims in full or; (b) a carve out from the holders of Secured Claims for the Post-
2 Confirmation Reserve, subject to the agreement of such secured creditors.

3 5. **Causes of Action.** Any causes of action held by the estate, if any, shall be
4 transferred to the Liquidating Trustee as of the Effective Date. The Liquidating Trustee shall have
5 the authority to assert, settle or abandon any causes of action transferred to it. In the event there is
6 any recovery on any causes of action, such amounts will be used to pay the holders of allowed
7 claims in the priority outlined in Article II above. All causes of action between the Debtor and any
8 other party pending prior to the Effective Date will be transferred to the Liquidating Trust as of the
9 Effective Date. At such time, the Liquidating Trust will be entitled to all claims, defenses, and other
10 rights and privileges accorded to the Debtor in such proceedings following their transfer. Parties
11 who are engaged in active litigation as of the Effective Date will be permitted to continue such
12 litigation in the Liquidating Trust.

13 6. **Composition of Debtor Post-Confirmation.** Following the Effective Date
14 of the Plan, Debtor will dissolve.

15 7. **Distribution Agent.** The Liquidating Trustee shall serve as the
16 disbursement agent for purposes of timely making all disbursements to be made under the Plan.

17 8. **Employment of Professionals by the Liquidating Trustee.** The
18 Liquidating Trustee may retain and compensate, without further order of the Bankruptcy Court, the
19 services of employees, professionals, and consultants to advise and assist in the administration,
20 prosecution, and distribution of Plan Administration Assets.

21 9. **Protocol for the Liquidation of Disputed Claims.**

22 a. Transfer of Disputed Claims to Liquidating Trust. If the Sale Proceeds are
23 insufficient to pay Holders of Secured Claims in full, or if a Claim is
24 otherwise Disputed, then the portion of the Sale Proceeds that would be
25 used to pay such Claims will be deposited into a blocked segregated
26 account to be maintained by the Liquidating Trust for the benefit of the
27 Holders of such Disputed Claims (the “Disputed Creditor Reserve”) with
28

1 all such liens, claims, encumbrances, and/or interests of the Holder of the
2 Disputed Claim to the Property attaching to the proceeds to the same order
3 and priority as they previously attached to the Property.

4 b. *Payments and Distributions on Disputed Claims.* Except as otherwise
5 provided in this Plan, a Final Order, or as agreed to by the relevant parties,
6 distributions under this Plan on account of Disputed Claims that become
7 Allowed after the Effective Date shall be made on the first day that Debtor
8 shall make payment on such claim the later of (i) on the first day that is
9 thirty (30) Business Days after such Disputed Claim becomes Allowed, in
10 whole or in part; (ii) on the day that distributions become available to
11 members of that Class; or (iii) with respect to Holders of General
12 Unsecured Claims, the day the Pro Rata Share of such Holder is
13 determined (the “Disputed Creditor Reserve Treatment”) provided,
14 however, that: (i) Disputed Administrative Claims with respect to liabilities
15 incurred by Debtor in the ordinary course of business during the Chapter
16 11 Case or assumed by Debtor on or before the Effective Date that become
17 Allowed after the Effective Date shall be paid or performed in the ordinary
18 course of business in accordance with the terms and conditions of any
19 controlling agreements, course of dealing, course of business, or industry
20 practice; and (ii) Disputed Priority Tax Claims that become Allowed
21 Priority Tax Claims after the Effective Date shall be treated as Allowed
22 Priority Tax Claims in accordance with Article II of this Plan.

23 c. The Bankruptcy Court shall retain jurisdiction over the Liquidating Trust,
24 including but not limited to the objection to claims. Debtor is in the
25 process of reviewing all timely filed proofs of claim. Prior to the Effective
26 Date, Debtor has the right to bring claim objections to resolve claims. After
27 the Effective Date, the authority to object to any Disputed Claims shall vest
28

1 in the Liquidating Trustee. Any such objections to Disputed Claims must
2 be brought within 120 days following the Effective Date, unless otherwise
3 ordered by the Court. Debtor or Liquidating Trust intends to file objections
4 with the Court to all Disputed Claims and to have the Court resolve all
5 such disputes unless Debtor and the claimants can reach consensual
6 resolution. ~~No payments or distributions shall be made with respect to any~~
7 ~~claim Debtor or the Liquidating Trustee objects to (each a “Disputed~~
8 ~~Claim”)~~ until all such disputes in connection with the Disputed Claim
9 ~~have been resolved by settlement or agreement among the relevant parties~~
10 ~~or by Final Order. In the event that such Disputed Claim becomes an~~
11 ~~allowed claim, Debtor shall make payment on such claim on the first day~~
12 ~~that is thirty (30) Business Days after such Disputed Claim becomes~~
13 ~~allowed.~~ Disputed Claims which are Administrative Claims that become
14 allowed after the Effective Date shall be paid in the ordinary course of
15 business in accordance with the terms and conditions of any controlling
16 agreements, course of dealing, course of business, or industry practice.
17 Disputed Claims which are Priority Tax Claims that become allowed after
18 the Effective Date shall be paid in accordance with Section 2.2 of the Plan.

19 10. **Exemption from Transfer Taxes.** Pursuant to Section 1146(a) of the
20 Bankruptcy Code, Section 11923 of the California Revenue and Tax Code and Section 21.9.6 of
21 the Los Angeles Municipal Code, the Sale, and any other transfer from Debtor to any Entity
22 pursuant to, in contemplation of, or in connection with the Plan shall not be subject to any Stamp
23 or Similar Tax or governmental assessment, and the appropriate state or local governmental
24 officials or agents shall forego the collection of any such tax or governmental assessment and shall
25 accept for filing and recordation any of the foregoing instruments or other documents without the
26 payment of any such tax or governmental assessment. For the avoidance of doubt, transfer tax shall
27 include, but not limited to, documentary transfer tax pursuant to Cal. Rev. & Tax. Code (“R&T”)
28

§11911 (West). (“County Tax”); Base City Tax pursuant to Los Angeles Municipal Code (“LAMC”) § 21.9.2(a); or, ULA Tax (e.g. Mansion Tax) under LAMC § 21.9.2(b). *See also Fla. Dep’t of Revenue v. Piccadilly Cafeterias, Inc.*, 554 U.S. 33, 47, 128 S. Ct. 2326, 2336, 171 L. Ed. 2d 203 (2008) (“the decision whether to transfer a given asset “under a plan confirmed” must be made prior to submitting the Chapter 11 plan to the bankruptcy court, but the transfer itself cannot be “under a plan confirmed” until the court confirms the plan in question. Only at that point does the transfer become eligible for the stamp-tax exemption”); *In re New 118th, Inc.*, 398 B.R. 791, 797 (Bankr. S.D.N.Y. 2009) (Stamp tax exemption applies to post-confirmation transfer of property of Chapter 11 estate that follows a preconfirmation sale if it is necessary to consummation of plan.)

11. **Distributions to Be Made Pursuant to the Plan.** Except as otherwise provided in this Plan, a Final Order, or as agreed to by the relevant parties, distributions under the Plan on account of Claims and Equity Interests Allowed on or before the Effective Date shall be made on the Effective Date; *provided, however*, that: (a) Administrative Claims that are not otherwise paid through the DIP Financing will be paid on or prior to the Effective Date or at such time as the Administrative Claim is allowed by the Court, or as soon as reasonably practicable thereafter (b) allowed Priority Tax Claims, unless otherwise agreed, shall be treated in accordance with the terms set forth in Section 1129(a)(9)(C) of the Bankruptcy Code. To the extent any allowed Priority Tax Claim is not due and owing on the Effective Date, such Claim shall be paid as may be due and payable under applicable non-bankruptcy Law.

In the event that following the Auction, the expected Sale Proceeds are insufficient to pay Administrative Claims in full, or if the sale of the Property does not close, Debtor will not seek confirmation of the Liquidating Chapter 11 Plan.

“Unclaimed Property” means any distribution of cash or any other property made to the holder of an allowed claim pursuant to the Plan that (a) is returned to the Liquidating Trustee as undeliverable and no appropriate forwarding address is received within the later of (i) 90 days after the Effective Date and (ii) 90 days after such attempted distribution by the Liquidating Trustee is made to such holder or (b) in the case of a distribution made in the form of a check, is

1 not negotiated within 90 days and no request for re-issuance is made. Unclaimed Property shall
2 be donated to the American Bankruptcy Institute Endowment Fund, a not-for-profit, non-religious
3 organization dedicated to, among other things, promoting research and scholarship in the area of
4 insolvency.

5 12. **Injunctions.** The Confirmation Order will enjoin the prosecution, whether
6 directly, derivatively, or otherwise, of any claim, obligation, suit, judgment, damage, demand, debt,
7 right, cause of action, liability or interest released, discharged or terminated pursuant to this Plan.
8 Except as provided in the Plan or the Confirmation Order, all entities that have held, currently hold,
9 or may hold a claim or other debt or liability that is discharged or an interest or other right of an
10 equity security holder are permanently enjoined from taking any of the following actions against
11 Debtor, Liquidating Trustee, or any of their property on account of such discharged claims, debts
12 or liabilities or extinguished interests or rights: (i) commencing or continuing, in any manner or in
13 any place, any action or other proceeding; (ii) enforcing, attaching, collecting, or recovering in any
14 manner any judgment, award, decree or order; (iii) creating, perfecting or enforcing any lien or
15 encumbrance; (iv) asserting a setoff, right of subrogation or recoupment of any kind against any
16 debt, liability or obligation due to Debtor; and (v) commencing or continuing any action in any
17 manner, in any place, that does not comply with or is inconsistent with the provisions of this Plan.
18 By accepting a distribution pursuant to this Plan, each holder of an allowed claim shall be deemed
19 to have specifically consented to the injunctions set forth in this Section.

20 13. **Exculpation.** Except as otherwise specifically provided for in the Plan, (i)
21 the Debtor; (ii) all officers, directors, and members of the Debtor in each case who are or were
22 acting in such capacity on or after the Petition Date, (iii) ~~all agents, members of management and~~
23 ~~other employees and representatives of the Debtor, in each case who are or were acting in such~~
24 ~~capacity on or after the Petition Date;~~ (iv) all agents, attorneys, advisors, accountants, financial
25 advisors, consultants and other professionals to the extent such parties are or were acting in any
26 such capacity for the parties identified above on or after the Petition Date (each a “Exculpated
27 Party”) shall not have or incur any liability for, and each Exculpated Party is hereby exculpated
28

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

1 from, any cause of action for any claim related to any act or omission from the Petition Date to the
2 Effective Date in connection with, relating to, or arising out of, Debtor's Chapter 11 Case, in whole
3 or in part, the formulation, preparation, dissemination, and negotiation of this Plan, the Disclosure
4 Statement, any contract, instrument, release, or other agreement or document created or entered
5 into in connection with the Plan, the Disclosure Statement, the filing of this Chapter 11 case, the
6 pursuit of Plan confirmation, the administration and implementation of this Plan, the distribution
7 of payments made under this Plan or any related act, except for claims or causes of action arising
8 from an act or omission that is judicially determined in a final non-appealable order to have
9 constituted actual fraud, willful misconduct, or gross negligence, but in all respects, such
10 Exculpated Party shall be entitled to the fullest extent permitted by law to reasonably rely upon the
11 advice of counsel with respect to their duties and responsibilities. Each Exculpated Party has, and
12 upon the consummation of this Plan shall be deemed to have, participated in good faith and in
13 compliance with the applicable laws with regard to the solicitation of, and distribution of,
14 consideration pursuant to this Plan and therefore, are not, and on account of such distributions shall
15 not be liable at any time for the violation of any applicable law, rule, or regulation governing the
16 solicitation of acceptances or rejections of this Plan or such distributions made pursuant to this
17 Plan. For the avoidance of doubt, nothing in this section shall prevent any party in interest from
18 objecting to any Intercompany Loan Claim.

19 **14. Executory Contracts and Unexpired Leases.** All Executory Contracts and
20 Unexpired Leases of Debtor that are not otherwise assumed or rejected will be deemed rejected by
21 Debtor in accordance with the provisions and requirements of Sections 365 and 1123, other than
22 (i) those that are identified on the Assumption Schedule to be provided in a supplementary schedule
23 that will be provided, five (5) days prior to the deadline for parties in interest to object to the
24 Liquidating Plan (the "Assumption Schedule"); (ii) those that have been previously assumed or
25 rejected pursuant to a Final Order prior to the Effective Date; (iii) those that are the subject of a
26 motion seeking assumption or rejection as of the Effective Date; or (iv) those that are to be accepted
27 pursuant to the terms of the Plan. Each Executory Contract and Unexpired Lease assumed but not
28

1 assigned to a third party shall be deemed to be assigned to Debtor, and be fully enforceable by,
2 Debtor in accordance with the terms thereof, except as otherwise modified by the provisions of this
3 Plan, or by any order of the Bankruptcy Court.

4 **ANY COUNTER-PARTY TO ANY OF THE ASSUMED CONTRACTS AND**
5 **LEASES WHO DOES NOT FILE A TIMELY OBJECTION TO PLAN CONFIRMATION**
6 **WILL BE DEEMED TO HAVE CONSENTED TO DEBTOR'S ASSERTED CURE**
7 **AMOUNTS. THE BAR DATE FOR FILING A PROOF OF CLAIM BASED ON A CLAIM**
8 **ARISING FROM THE REJECTION OF AN UNEXPIRED LEASE OR EXECUTORY**
9 **CONTRACT WHICH IS REJECTED ON THE EFFECTIVE DATE WILL BE THIRTY**
10 **DAYS AFTER THE EFFECTIVE DATE.**

11 Debtor has elected to assume the executory contract with Arcadis Inc., the architect for the
12 Project (the "Architect") upon the confirmation of the Plan. The Architect timely filed a Proof of
13 Claim, claim number 28-1 in the amount of \$2,411,799.98 (as may be amended, stipulated to, or
14 otherwise established, the "Architect Claim Amount") for architectural services performed in
15 connection with that certain Agreement dated as of May 26, 2014, by and between Tohigh
16 Construction Investment LLC, and RTKL Associates Inc., as amended and supplemented from
17 time to time (the "Architect Agreement"). Debtor's rights to dispute the additional amount of the
18 claim is reserved if Architect's claim is amended to increase the amount of the claim from the
19 amount set forth above. The amount of any such dispute, if any, shall be reserved and transferred
20 to the Liquidating Trust (the "Potential Architect Reserve").

21 Architect owns the copyright in the Architect's instruments of service (including
22 architectural plans, specifications, designs, associated renderings, and any electronic format thereof
23 including BIM and AutoCAD) (the "Instruments of Service"), which Instruments of Service may
24 not be used in connection with the bidding or sale process without Architect's written consent.

25 Debtor has elected to assume (or assume and assign) the Architect Agreement and will cure
26 any defaults at closing (less the Potential Architect Reserve) by paying the Architect Claim Amount
27 from Sale Proceeds on the Effective Date. Upon such assumption of the Architect Agreement,
28

including payment of the Architect Cure Amount: (a) Architect shall have no duty to continue to perform under the Architect Agreement (other than as set forth below), (b) Debtor (or an assignee) shall have no obligation to continue to perform under the Architect Agreement post-closing, and (c) Architect shall have no further pre-petition or post-petition rights, title or claims against Debtor or the estate (other than its rights under the Plan, which are expressly preserved, and its rights under any New Architect Agreement, if applicable).

Upon the cure of defaults under the Architecture Agreement as provided for herein, including, without limitation, payment of the Architect Claim Amount less the Potential Architect Reserve, Architect will grant a license to Debtor or a buyer of Debtor's assets if the Architect Agreement is assumed and assigned to such buyer (a "Recipient Party"), which license shall (a) allow such Recipient Party to use Architect's Instruments of Service created before the Petition Date under the Architect Agreement and (b) be subject to the following conditions:

1. Any use by Debtor or Recipient Party of the Instruments of Service shall be limited to and strictly comply with the permitted uses and other provisions of the Architect Agreement or as otherwise agreed to by Architect in writing.

2. The license will be limited to the Project, non-exclusive, and subject to the uses and other provisions of the Architect Agreement.

3. Any Recipient Party must fully indemnify and release the design team from any claims by buyer and/or third parties arising out of any use or modification of the Instruments of Service.

4. All of the design teams' logos and any identifying marks must be removed from the Instruments of Service.

5. Any subsequent architects must seal/stamp the Instruments of Service and take on responsible charge as the architect of record.

6. Debtor or any Recipient Party will identify Architect as the design architect.

Any post-petition license fee or agreement for post-petition services ("New Architect Agreement") must be separately negotiated between Architect and any Recipient Party. Architect

1 agrees, however, that it is generally willing to remain as the Architect of record for the project
2 under the following terms and conditions, subject to formal documentation between Architect and
3 buyer:

4 1. The other provisions herein relating to Architect's pre-petition claim have been fully
5 complied with, including payment in full of Architect's pre-petition claim as part of the cure
6 provided for above.

7 2. Recipient Party reactivates or purchases project-specific professional liability policy
8 reasonably acceptable to Architect.

9 3. Recipient Party hires an independent, third-party forensic consultant to review the
10 project and assess the current status of the Project.

11 4. Architect and Recipient Party reaching agreement on the scope, schedule, and fees
12 for remaining services.

13 **15. Retention of Jurisdiction.** After confirmation of the Plan and occurrence
14 of the Effective Date, in addition to jurisdiction which exists in any other court, the Court will retain
15 such jurisdiction as is legally permissible including for the following purposes:

16 (a) Allow, disallow, determine, liquidate, classify, estimate, or establish the priority,
17 nature, validity, amount, or secured or unsecured status of any Claim or Equity Interest, including
18 the resolution of any request for payment and any and all objections to the allowance, classification,
19 priority or amount of Claims or Equity Interests;

20 (b) Decide and resolve all matters related to the granting and denying, in whole or in
21 part, of any applications for allowance of compensation or reimbursement of expenses to Retained
22 Professionals authorized pursuant to the Bankruptcy Code or the Plan;

23 (c) Resolve any matters related to: (i) the assumption, assumption and assignment, or
24 rejection of any Executory Contract or Unexpired Lease and to hear, determine, and, if necessary,
25 liquidate, any Cure Costs arising therefrom; (ii) any potential obligation under any Executory
26 Contract or Unexpired Lease that is assumed; (iii) Debtor's or Liquidating Trustee's amendment,
27 modification, or supplement after the Effective Date, pursuant to Article V of the Plan, of the lists
28

1 of Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (iv) any
2 dispute regarding whether a contract or lease is or was executory or expired;

3 (d) Ensure that distributions to Holders of Allowed Claims are carried out pursuant to
4 the provisions of the Plan;

5 (e) Adjudicate, decide, or resolve any motions, adversary proceedings, any other
6 matters, and any applications involving a Debtor, that may be pending on the Effective Date;

7 (f) Adjudicate, decide or resolve any and all matters related to Causes of Action;

8 (g) Adjudicate, decide or resolve any and all matters related to Section 1141 of the
9 Bankruptcy Code;

10 (h) Resolve any and all avoidance or recovery actions under Sections 105, 502(d), 542
11 through 551 and 553 of the Bankruptcy Code;

12 (i) Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise
13 in connection with the interpretation or enforcement of the Plan or Confirmation Order or any
14 Entity's obligations incurred in connection with the Plan or Confirmation Order, including disputes
15 arising under or in connection with any agreements, documents, or instruments executed in
16 connection with the Plan, Assumption Schedule, or Confirmation Order;

17 (j) Enter and implement such orders as may be necessary or appropriate to execute,
18 implement, or consummate the provisions of the Plan or Confirmation Order and all contracts,
19 instruments, releases, indentures, and other agreements or documents created in connection with
20 this Plan or the Confirmation Order;

21 (k) Enter and enforce any order for the sale of property pursuant to Sections 363, 1123,
22 or 1146(a) of the Bankruptcy Code;

23 (l) Adjudicate, decide, or resolve matters concerning state, local, and federal taxes in
24 accordance with Sections 346, 505, and 1146 of the Bankruptcy Code;

25 (m) Grant any consensual request to extend the deadline for assuming or rejecting
26 Unexpired Leases pursuant to Section 365(d)(4) of the Bankruptcy Code;

(n) Enforce the injunction, ~~release, discharge, and~~ and exculpation provisions of the Plan, and issue injunctions, enter and implement orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with enforcement of the Plan;

(o) Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the ~~releases,~~ injunctions, and other provisions contained in the Plan and enter such orders as may be necessary or appropriate to implement such ~~releases,~~ injunctions, and other provisions;

(p) Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim or Equity Interest for amounts not timely repaid;

(q) Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

(r) Determine any other matters that may arise in connection with or relate to ~~this~~ the Plan, the Confirmation Order, or any contract, instrument, release, indenture, or other agreement or document created in connection therewith;

(s) Enter an order or final decree concluding or closing the Chapter 11 Case;

(t) Adjudicate any and all disputes arising from or relating to distributions under the Plan;

(u) Consider any modifications of this Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

(v) Hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with the Plan;

(w) Hear and determine all disputes involving the existence, nature, or scope of Debtor's discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date;

(x) Enforce all orders previously entered by the Bankruptcy Court; and

(y) Hear any other matter not inconsistent with the Bankruptcy Code.

V. TAX CONSEQUENCES OF THE PLAN.

CREDITORS AND INTEREST HOLDERS CONCERNED WITH HOW THE PLAN MAY AFFECT THEIR TAX LIABILITY SHOULD CONSULT WITH THEIR OWN ACCOUNTANTS, ATTORNEYS, AND/OR ADVISORS. The following disclosure of possible tax consequences is intended solely for the purpose of alerting readers about possible tax issues the Plan may present. Debtor CANNOT and DOES NOT represent that the tax consequences contained below are the only tax consequences of the Plan because the Internal Revenue Code, as amended (the “Tax Code”) embodies many complicated rules which make it difficult to state completely and accurately all of the tax implications of any action. Also, Debtor has not retained any special tax counsel or tax accountant to analyze any tax consequences resulting from the Confirmation of the Plan.

Although Debtor has attempted to structure the Sale in a manner which is exempt from transfer taxes, Debtor anticipates that the closing of the Sale might result in tax liability. Debtor has not performed any detailed analysis of the extent to which, if any, the confirmation of the Plan may have on any tax liability of the estate. Debtor makes no representations regarding the potential tax consequences to creditors or interest holders from the confirmation of or implementation of the Plan. Debtor has no way of knowing the tax basis of the various investments made by creditors or equity. Without that information and without knowing the final sale amount of the property, it is impossible for Debtor to know or estimate the amount of income tax that could become due on a sale. Similarly, various creditors and equity holders may be liable for taxes in foreign jurisdictions, China as just one example. To the extent that creditors or equity are paid less than the amount of their current tax basis in their claim, an incremental tax loss may be recognized upon sale of the property. Creditors and equity holders are encouraged to consult with their own tax advisors regarding the potential tax effect that could result from a sale of the property.

1 **VI. CONFIRMATION REQUIREMENTS AND PROCEDURES.**

2 PERSONS OR ENTITIES CONCERNED WITH CONFIRMATION OF THE PLAN
3 SHOULD CONSULT WITH THEIR OWN ATTORNEYS BECAUSE THE LAW ON
4 CONFIRMING A PLAN OF REORGANIZATION IS VERY COMPLEX.

5 The following discussion is intended solely for the purpose of alerting readers about basic
6 confirmation issues, which they may wish to consider, as well as certain deadlines for filing claims.
7 Debtor CANNOT and DOES NOT represent that the discussion contained below is a complete
8 summary of the law on this topic.

9 **A. Who May Object.** Any party in interest may object to the confirmation of the Plan,
10 even if such party in interest would not be entitled to vote to accept or reject the Plan.

11 **B. Who May Vote to Accept or Reject the Plan.** A creditor or interest holder has a
12 right to vote for or against the Plan if that creditor or interest holder has a claim or interest which
13 is both (1) allowed or allowed for voting purposes and (2) classified in an impaired class.

14 **C. What is an Allowed Claim or Interest?** As noted above, a creditor or interest
15 holder must first have an allowed claim or interest to have the right to vote. Generally, any timely
16 filed proof of claim or interest will be deemed allowed, unless a party in interest files an objection
17 to the claim or interest. When an objection to a claim or interest is filed, the creditor or interest
18 holder holding the claim or interest cannot vote unless the Court, after notice and hearing, either
19 overrules the objection or allows the claim or interest for voting purposes.

20 THE BAR DATE FOR FILING A PROOF OF CLAIM IN THIS CASE ON ACCOUNT
21 OF PRE-PETITION CLAIMS WAS JUNE 26, 2024 FOR NON-GOVERNMENTAL UNITS. The
22 bar date for filing a proof of claim in this case for governmental units is September 7, 2024. A
23 ~~claim is deemed allowed if~~ Claim shall be deemed Allowed solely for purposes of voting on the
24 Plan unless (a) it such Claim is scheduled ~~on Debtor's schedules and such claim is not scheduled~~
25 as disputed, contingent, or unliquidated, ~~and (2) no party in interest has objected to the claim. An~~
26 ~~interest is deemed allowed if it is scheduled and no party in interest has objected to the interest.~~
27 and no proof of claim has been timely filed or (b) there is an objection with respect to such claim
28

1 at least fourteen (14) days prior to the Voting Deadline. Such objection will be heard by the Court
2 at least [DATE] days prior to the Voting Deadline.

3 **D. What is an Impaired Claim or Interest?**

4 As noted above, an allowed claim or interest has the right to vote only if it is in a class
5 that is impaired under the Plan. A class is impaired if the Plan alters the legal, equitable, or
6 contractual rights of the members of that class. For example, a class comprised of general
7 unsecured claims is impaired if the Plan fails to pay the members of that class 100% of what they
8 are owed.

9 Currently, Debtor believes that all Classes of creditors are impaired and entitled to vote to
10 accept or reject the Plan, except for Class ~~5~~1. However, Debtor reserves the right to change the
11 treatment of such party to the extent it identifies a Winning Bidder who proposes a Purchase Price
12 sufficient to render a class unimpaired. Parties who dispute Debtor's characterization of their claim
13 or interest as being impaired or unimpaired may file an objection to the Plan contending that Debtor
14 has incorrectly characterized the class.

15 **E. Who is Not Entitled to Vote.** The following four types of claims are not entitled
16 to vote: (1) claims that have been disallowed; (2) claims in unimpaired classes; (3) claims entitled
17 to priority pursuant to Bankruptcy Code Sections 507(a)(2), (a)(3), and (a)(8); and (4) claims in
18 classes that do not receive or retain any value under the Plan. Claims in unimpaired classes are not
19 entitled to vote because such classes are deemed to have accepted the Plan. Claims entitled to
20 priority pursuant to Bankruptcy Code Sections 507(a)(2), (a)(3), and (a)(8) are not entitled to vote
21 because such claims are not placed in classes, and they are required to receive certain treatment
22 specified by the Bankruptcy Code. Claims in classes that do not receive or retain any value under
23 the Plan do not vote because such classes are deemed to have rejected the Plan. EVEN IF YOUR
24 CLAIM IS OF THE TYPE DESCRIBED ABOVE, YOU MAY STILL HAVE A RIGHT TO
25 OBJECT TO THE CONFIRMATION OF THE PLAN.

26 **F. Who Can Vote in More Than One Class.** A creditor whose claim has been
27 allowed in part as a secured claim and in part as an unsecured claim is entitled to accept or reject

1 the Plan in both capacities by casting one ballot for the secured part of the claim and another ballot
2 for the unsecured claim.

3 **G. Votes Necessary to Confirm the Plan.** If impaired classes exist, the Court cannot
4 confirm the Plan unless (1) at least one impaired class has accepted the Plan without counting the
5 votes of any insiders within that class, and (2) all impaired classes have voted to accept the Plan,
6 unless the Plan is eligible to be confirmed by "cramdown" on non-accepting classes, as discussed
7 below.

8 **H. Votes Necessary for a Class to Accept the Plan.** A class of claims is considered
9 to have accepted the Plan when more than one-half (1/2) in number and at least two-thirds (2/3) in
10 dollar amount of the claims which actually voted on the plan, voted in favor of the plan. A class of
11 interests is considered to have "accepted" a plan when at least two-thirds (2/3) in amount of the
12 interest-holders of such class which actually voted on the plan, voted to accept the plan.

13 **I. Treatment of Non-Accepting Classes.** As noted above, even if all impaired classes
14 do not accept the Plan, the Court may nonetheless confirm the Plan if the non-accepting classes are
15 treated in the manner required by the Bankruptcy Code. The process by which non-accepting
16 classes are forced to be bound by the terms of a plan is commonly referred to as "cramdown." The
17 Bankruptcy Code allows the Plan to be "crammed down" on non-accepting classes of claims or
18 interests if it meets all consensual requirements except the voting requirements of 1129(a)(8) and
19 if the Plan does not "discriminate unfairly" and is "fair and equitable" toward each impaired class
20 that has not voted to accept the Plan as referred to in 11 U.S.C. § 1129(b) and applicable case law.
21 Debtor will ask the Court to confirm the Plan by cramdown on any and all impaired classes that
22 do not vote to accept the Plan. In addition to seeking to confirm the Plan by cramdown, as set
23 forth above.

24 **J. Liquidation Analysis.**

25 Another confirmation requirement is the "Best Interest Test", which requires a liquidation
26 analysis. Under the Best Interest Test, if a claimant or interest holder is in an impaired class and
27 that claimant or interest holder does not vote to accept the Plan, then that claimant or interest holder
28

1 must receive or retain under the Plan property of a value not less than the amount that such holder
2 would receive or retain if Debtor was liquidated under chapter 7 of the Bankruptcy Code. Debtor's
3 Liquidation Analysis is attached as Exhibit 4.

4 In a chapter 7 case, Debtor's assets are usually sold by a chapter 7 trustee. Secured creditors
5 are paid first from the sales proceeds of properties on which the secured creditor has a lien.
6 Administrative claims are paid next. Next, unsecured creditors are paid from any remaining sales
7 proceeds, according to their rights to priority. Unsecured creditors with the same priority share in
8 proportion to the amount of their allowed claim in relationship to the amount of total allowed
9 unsecured claims. Finally, interest holders receive the balance that remains after all creditors are
10 paid, if any.

11 For the Court to be able to confirm the Plan, the Court must find that all creditors and
12 interest holders who do not accept the Plan will receive at least as much under the Plan as such
13 holders would receive under a chapter 7 liquidation of Debtor. Debtor maintains that this
14 requirement is clearly met. The biggest and most insurmountable issue is that Debtor is only able
15 to operate a sale process for the Property because of the post-petition financing being provided by
16 DTLA Lending LLC. Absent this Chapter 11 case, Debtor anticipates that its principal asset, the
17 Real Property, would either be sold by a Chapter 7 Trustee or one of its secured creditors would
18 obtain relief from the automatic stay and would proceed with a foreclosure sale. In either of these
19 events, the recovery will likely be less than the process proposed by Debtor thought the Plan.

20 First, through either a sale by a Chapter 7 Trustee or foreclosure sale, any sale to the
21 ultimate ~~Winning Bidder~~purchaser would not be exempt from transfer taxes pursuant to Section
22 1146(a) of the Bankruptcy Code, Section 11923 of the California Revenue and Tax Code and
23 Section 21.9.6 of the Los Angeles Municipal Code. Second, in the event of a conversion of
24 Debtor's case to chapter 7, a chapter 7 trustee would be appointed and would be completely
25 unfamiliar with the Property and the complexities of this case. The Chapter 7 Trustee would likely
26 hire all new professionals who would be equally unfamiliar with the Property in this Case. The
27 result of all of that would be the incurrence of an extraordinary amount of additional professional
28

1 fees incurred by professionals who would need to familiarize themselves with this, all of which
2 is avoided by the current professionals, who are skilled, experienced and already intimately
3 familiar with these cases, continuing with their current roles. Third, the marketing of the Property
4 in the context of a sale by a Chapter 7 Trustee or at a foreclosure sale would be significantly less
5 robust than the marketing plan already implemented by Debtor. Finally, in the event that the
6 Property was sold by the Chapter 7 Trustee, pursuant to section 326 of the Bankruptcy Code, a
7 chapter 7 trustee would be paid a significant amount of money for distributing the funds in these
8 estates. After these costs and expenses, Debtor does not believe that any funds would be available
9 to distribute to holders of unsecured claims following a liquidating of the Property.

10 In contrast, Debtor projects that Holders of Allowed General Unsecured Claims will
11 receive some distribution pursuant to the Plan, with the prospect for additional upside in the event
12 that the Purchase Price obtained through Debtor's marketing process is higher than estimated.
13 Debtor's projections are based off the progress of its marketing efforts and are subject to revision
14 depending on the amounts provided in the bids it ultimately receives for the Property. The
15 Break-Even Analysis sets forth the expected sale price that is needed to make a full distribution
16 on the LA County Tax Claim, and to the DIP Lender, LADI, Lendlease and priority creditors.

17 This option provides all creditors, including general unsecured creditors, with a vastly
18 higher recovery than they would ever receive if Debtor's case were converted to chapter 7.
19 Moreover, it may take many years for a chapter 7 trustee to administer this case and general
20 unsecured creditors would not receive any distribution during the interim. Debtor, therefore, has
21 satisfied the "best interest of creditors test" with respect to any general unsecured creditors who
22 vote to reject the Plan. Debtor also submits that the Plan provides fair and equitable treatment of
23 all classes of creditors and the greatest feasible recovery to all creditors.

24 **K. Feasibility.**

25 Another requirement for confirmation involves the feasibility of the Plan, which means that
26 confirmation of the Plan is not likely to be followed by the liquidation, or the need for further
27 financial reorganization, of Debtor.

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

1 There are at least two important aspects of a feasibility analysis. The first aspect considers
2 whether Debtor will have enough cash on hand on the Effective Date to pay all the claims and
3 expenses which are entitled to be paid on the Effective Date or shortly thereafter. If a sale of the
4 Property meets or exceeds the price set forth in the Break-Even Analysis, then Debtor anticipates
5 having sufficient Cash as of the Effective Date to pay such claims from the Sale of the Property. If
6 the sale of the Property is lower than the price set forth in the Break-Even Analysis, Debtor will
7 request that its secured creditors provide a carve-out sufficient to allow Debtor to pay all amounts
8 necessary to proceed in confirming the Plan and ask secured creditors to consent to payment of less
9 than the full amount of their unsecured claims. In the event that the Secured Creditor do not consent
10 to a sufficient carve-out, or Debtor is otherwise unable to pay all amounts necessary to have a
11 confirmable plan from the Sale Proceeds, Debtor will not seek confirmation of the Plan. The second
12 aspect considers whether the Reorganized Debtors will have enough cash over the life of the Plan
13 to make the required Plan payments. Pursuant to the Plan, Debtor has agreed to make payment to
14 each Class depending on the Sale Proceeds obtained through the Sale of the Property. If Debtor
15 does not have sufficient Cash on hand on the Effective Date to pay all of the claims and expenses
16 which are entitled to be paid on the Effective Date or shortly thereafter, Debtor will request that the
17 Holders of ~~the LADI Secured Claim and Lendlease Secured Claim~~ Claims agree to a carve-out from
18 their respective claims to pay such expenses. In the event that the Holders of ~~the LADI Secured~~
19 ~~Claim and/or Lendlease Secured~~ Claims do not agree to such carve-out, the Effective Date will not
20 occur and Debtor will not go forward with the confirmation of this Plan. If the sale proceeds exceed
21 the break-even sales price, any other post-confirmation activities of the Liquidating Trustee will be
22 funded through Plan Administrative Assets. ~~As of today, Debtor does not believe that there will be~~
23 ~~any post-confirmation action that the Liquidating Trustee will need to take, beyond routine claims~~
24 ~~reconciliation and distributing the Sale Proceeds to Holders of Allowed Claims.~~ Debtor, therefore,
25 has satisfied this second aspect of Plan feasibility.

1 **VII. RISK FACTORS REGARDING THE PLAN.**

2 As with any sale of property, there is a risk that the ultimate sale price realized will be
3 lower than Debtor anticipates or projects. In this case, the sale of the Property may not close and
4 in that case, Debtor will not seek confirmation of the Liquidating Chapter 11 Plan. Additionally,
5 in the event the parties are unable to close on a sale of the Property with the Winning Bidder or
6 Back-Up Bidder post-confirmation, then there is a possibility that the Effective Date of the
7 Liquidating Chapter 11 Plan will not occur. There are also a large number of still contingent,
8 unliquidated and disputed claims which will ultimately have to be settled or litigated.

9 There are also many factors as it relates to the sale of undeveloped property that are
10 outside the control of Debtor. Based upon the appraisal obtained by Debtor, the discussions that
11 Debtor is having with prospective purchasers of the Property, the amount of interest in the
12 Property, and the opinions of Debtor's Professionals, Debtor believes that there will be a buyer
13 for the Property sufficient to satisfy all Administrative Claims, Secured Claims, and provide at
14 least some return for the Holders of General Unsecured Claims. Debtor also has a reasonable
15 belief there will be a robust auction.

16 **VIII. EFFECT OF CONFIRMATION OF THE PLAN.**

17 **A. Discharge.** Debtor will not receive a discharge under the Plan.

18 **B. Modification of the Plan.** Debtor reserves the right to modify the Plan any time
19 before confirmation. However, the Court may require a new disclosure statement and/or re-voting
20 on the Plan if Debtor modifies the Plan before confirmation. The Liquidating Trustee may also seek
21 to modify the Plan at any time after confirmation of the Plan so long as (1) the Plan has not been
22 substantially consummated and (2) the Court authorizes the proposed modification after notice and
23 a hearing.

24 **C. Post-Confirmation Status Reports.** Until a final decree closing Debtor's Case is
25 entered, the Liquidating Trustee will file quarterly status reports with the Court explaining what
26 progress has been made toward consummation of the confirmed Plan.

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

1 **D. Post-Confirmation Conversion/Dismissal.** A creditor or any other party in interest
2 may bring a motion to convert or dismiss these chapter 11 cases under Section 1112(b) of the
3 Bankruptcy Code after the Plan is confirmed if there is a default in performing the Plan. If the Court
4 orders these chapter 11 cases converted to chapter 7 after the Plan is confirmed, then all property
5 that had been property of these chapter 11 estates, and that has not been disbursed pursuant to the
6 Plan, will revert in the chapter 7 estates, and the automatic stay will be reimposed upon the reverted
7 property, but only to the extent that relief from stay was not previously authorized by the Court
8 during these cases. The Confirmation Order may also be revoked under very limited circumstances.
9 The Court may revoke the Plan Confirmation Order if it was procured by fraud and if a party in
10 interest brings an adversary proceeding to revoke confirmation within 180 days after the entry of
11 the Confirmation Order.

12 **E. Final Decree.** Once Debtor's estate has been fully administered as referred to in
13 Bankruptcy Rule 3022, the Liquidating Trustee will file a motion with the Court to obtain a final
14 decree to close this chapter 11 case. The Liquidating Trustee will be responsible for the timely
15 payment of all fees incurred pursuant to 28 U.S.C. Section 1930(a)(6) as well as any and all other
16 fees owing to the U.S. Trustee and/or the Clerk of the Court.

17
18 Dated: September 4, 2024

Respectfully submitted,

19 BRYAN CAVE LEIGHTON PAISNER LLP

20 By: /s/ Sharon Z. Weiss
21 Sharon Z. Weiss
22 Attorneys for Debtor-in-Possession
23
24
25
26
27
28

Summary report: Litera Compare for Word 11.7.0.54 Document comparison done on 9/4/2024 10:59:25 PM	
Style name: Firm	
Intelligent Table Comparison: Active	
Original filename: 2024-08-19 Oceanwide First Amended Disclosure Statement.docx	
Modified filename: 2024-09-04 Oceanwide Second Amended Disclosure Statement.docx	
Changes:	
<u>Add</u>	131
Delete	124
Move From	45
<u>Move To</u>	45
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	6
Total Changes:	351

BRYAN CAVE LEIGHTON PAISNER LLP

Sharon Z. Weiss (State Bar No.: 169446)

sharon.weiss@bclplaw.com

120 Broadway, Suite 300

Santa Monica, CA 90401-2386

Telephone: (310) 576-2100

Facsimile: (310) 576-2200

Jarret P. Hitchings (*Admitted Pro Hac Vice*)

jarret.hitchings@bclplaw.com

One Wells Fargo Center

301 S. College Street, Suite 2150

Charlotte, NC 28202

Telephone: (704) 749-8999

Facsimile: (704) 749-8990

Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re

Oceanwide Plaza, LLC,

Debtor.

Case No. 2:24-bk-11057-DS

Chapter: 11

**DEBTOR'S ~~SUPPLEMENTAL~~ SECOND
AMENDED LIQUIDATING CHAPTER 11
PLAN**

Plan Confirmation Hearing

Date: October 16, 2024

Time: 10:00 a.m.

Place: Ctrm 1634/Via Zoom

255 East Temple Street

Los Angeles, CA 90012

TABLE OF CONTENTS

INTRODUCTION	1
I DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME	1
A. Defined Terms.....	1
B. Rules of Interpretation and Computation of Time	13 <u>12</u>
II UNCLASSIFIED CLAIMS	14 <u>13</u>
A. DIP Facility Claims.....	14
B. Administrative Claims	14
C. Priority Tax Claims.....	16 <u>15</u>
D. Professional Fee Claims	16
E. Statutory Fees.....	17 <u>16</u>
III CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS.....	17
A. Classification of Claims	17
B. Class Identification.....	18 <u>17</u>
C. Treatment and Voting Rights of Claims and Equity Interests	18
D. Special Provision Governing Unimpaired Claims	27 <u>24</u>
E. Voting; Presumptions; Solicitation	27 <u>24</u>
F. Subordinated Claims	28 <u>25</u>
G. No Waiver	29 <u>26</u>
IV MEANS FOR IMPLEMENTATION OF THE PLAN	29 <u>26</u>
A. Compromise of Controversies.....	29 <u>26</u>
B. Sources of Consideration for Plan Distribution	29 <u>26</u>
C. Sale.....	29 <u>26</u>
D. Plan Administration and Wind Down	30 <u>27</u>
E. Corporate Action.....	32 <u>29</u>
F. Vesting of Assets	33 <u>30</u>
G. Exemptions from Certain Transfer Taxes and Recording Fees	33 <u>30</u>
H. Effectuating Documents; Further Transactions	33 <u>31</u>
I. Nonconsensual Confirmation.....	34 <u>31</u>
J. Closing of Chapter 11 Case.....	34 <u>31</u>
V TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES	34 <u>31</u>
A. Assumption and Rejection of Executory Contracts and Unexpired Leases.....	34 <u>31</u>
B. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases	36 <u>33</u>
C. Insurance Policies.....	38 <u>35</u>
D. Reservation of Rights	38 <u>35</u>
E. Nonoccurrence of the Effective Date.....	38 <u>35</u>
VI PROVISIONS GOVERNING DISTRIBUTIONS	38 <u>36</u>
A. Distribution on Account of Claims and Equity Interests Allowed as of the Effective Date.....	38 <u>36</u>
B. Distribution of Account of Claims and Equity Interest Allowed After the Effective Date.....	39 <u>37</u>

1	C.	Timing and Calculation of Amounts to Be Distributed	4038
	D.	Delivery of Distributions.....	4039
2	E.	Distributions by Distribution Agent.....	4139
3	F.	Minimum Distributions.....	4140
	G.	Undeliverable Distributions	4140
4	H.	Compliance with Tax Requirements/Allocations	4241
	I.	Surrender of Cancelled Instruments or Securities.....	4341
5	J.	Claims Paid or Payable by Third Parties.....	4342
6	VII	PROCEDURES FOR RESOLVING DISPUTED CLAIMS OR EQUITY	
7		INTERESTS.....	4443
	A.	Allowance of Claims and Equity Interests.....	4443
8	B.	Claims Administration Responsibility	4543
	C.	Estimation of Claims and Equity Interests.....	4544
9	D.	Adjustment to Claims and Equity Interests Without Objection.....	4645
	E.	Disallowance of Certain Claims.....	4645
10	F.	Amendments to Claims.....	4745
11	G.	No Interest on Claims, Equity Interests, or Disputed Claims	4745
12	VIII	CONDITIONS PRECEDENT TO THE EFFECTIVE DATE	4746
	A.	Conditions Precedent to Confirmation of the Plan	4746
13	B.	Conditions Precedent to the Effective Date	4746
	C.	Waiver of Conditions Precedent	4846
14	D.	Effect of Failure of Conditions Precedent.....	4847
	E.	Reservation of Rights	4947
15	F.	Substantial Consummation of Plan	4947
16	IX	EFFECT OF CONFIRMATION	4947
17	A.	Binding Effect	4947
	B.	Compromise and Settlement of Claims and Controversies	4948
18	C.	Injunctions.....	5048
	D.	Exculpation	5049
19	E.	Setoffs and Recoupment	5150
	F.	Retention of Causes of Action; Reservation of Rights	5250
20	G.	Release of Liens	5251
21	X	RETENTION OF JURISDICTION	5251
22	XI	MISCELLANEOUS PROVISIONS.....	5554
23	A.	Immediate Binding Effect.....	5554
	B.	Amendments	5554
24	C.	Governing Law.....	5655
	D.	Successors and Assigns.....	5655
25	E.	Severability	5655
	F.	Controlling Document.....	5755
26	G.	Filing of Additional Documents	5756
	H.	Reservation of Rights	5756
27	I.	Service of Documents	5856
28	J.	Section 1125(e) of the Bankruptcy Code.....	5857

1	K.	Tax Reporting and Compliance	59 <u>57</u>
2	L.	Exhibits, Schedules and Supplements.....	59 <u>57</u>
3	M.	Entire Agreement	59 <u>58</u>
4	N.	Allocation of Payments	59 <u>58</u>

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

TABLE OF AUTHORITIES

Page(s)

Statutes

11 U.S.C. §§ 101 <i>et seq.</i>	<i>passim</i>
11 U.S.C. § 102.....	13
11 U.S.C. § 105.....	52
11 U.S.C. § 105(a)	51
11 U.S.C. § 327 through 331	10, 16
11 U.S.C. § 346.....	53
11 U.S.C. § 347(b)	41
11 U.S.C. § 363.....	10, 16, 33, 53
11 U.S.C. § 365.....	5, 6, 12, 33
11 U.S.C. § 365(a)	34
11 U.S.C. § 365(b)	36
11 U.S.C. § 365(b)(1).....	35
11 U.S.C. § 365(d)(4).....	37, 53
11 U.S.C. § 502.....	2
11 U.S.C. § 502(c)	44
11 U.S.C. § 502(d)	2, 45, 52
11 U.S.C. § 502(j)	45
11 U.S.C. § 503.....	10
11 U.S.C. § 503(b)	1
11 U.S.C. § 503(b)(2).....	10
11 U.S.C. § 503(b)(3).....	10
11 U.S.C. § 503(b)(4).....	10
11 U.S.C. § 505.....	53

1	11 U.S.C. § 505(b)	58
2	11 U.S.C. § 506	11
3	11 U.S.C. § 506(b)	46
4	11 U.S.C. § 507	1
5	11 U.S.C. § 507(a)	9
6	11 U.S.C. § 507(a)(8)	10
7	11 U.S.C. § 510	2, 27
8	11 U.S.C. § 510(b)	12, 27
9	11 U.S.C. § 522(f)	45
10	11 U.S.C. § 522(h)	45
11	11 U.S.C. § 541	2, 6
12	11 U.S.C. § 542-551	2, 45, 52
13	11 U.S.C. § 553	2, 11, 52
14	11 U.S.C. § 554	30
15	11 U.S.C. § 724(a)	2
16	11 U.S.C. § 1101(2)	48
17	11 U.S.C. § 1103	16
18	11 U.S.C. § 1122	17
19	11 U.S.C. § 1122(a)(1)	4
20	11 U.S.C. § 1123	<i>passim</i>
21	11 U.S.C. § 1123(a)(1)	14, 17
22	11 U.S.C. § 1123(b)(2)	34
23	11 U.S.C. § 1123(b)(3)	31
24	11 U.S.C. § 1124	7, 11
25	11 U.S.C. § 1125	5, 9
26	11 U.S.C. § 1125(e)	57
27		
28		

1	11 U.S.C. § 1126(b)	5, 9
2	11 U.S.C. § 1126(f)	27
3	11 U.S.C. § 1127(a)	55
4	11 U.S.C. § 1127(b)	54
5	11 U.S.C. § 1129	4, 5
6	11 U.S.C. § 1129(a)(8)	27
7	11 U.S.C. § 1129(a)(9)(C)	15, 38
8	11 U.S.C. § 1129(b)	33, 54
9	11 U.S.C. § 1141	52
10	11 U.S.C. § 1141(b)	32
11	11 U.S.C. § 1141(c)	32
12	11 U.S.C. § 1142	51
13	11 U.S.C. § 1145	5, 9
14	11 U.S.C. § 1146	53
15	11 U.S.C. § 1146(a)	32
16	11 U.S.C. § 11923	32
17	28 U.S.C. § 1930	3
18	28 U.S.C. § 1930(a)	16
19	28 U.S.C. § 2075	3
20	31 U.S.C. § 3717	16
21	Los Angeles Municipal Code § 21.9.6	32
22	Securities Act of 1933	11
23	Other Authorities	
24	Bankruptcy Rule 2002	57
25	Bankruptcy Rule 3001	10
26	Bankruptcy Rule 3012	44
27		
28		

1	Bankruptcy Rule 3018.....	5, 9, 27
2	Bankruptcy Rule 3019.....	55
3	Bankruptcy Rule 3020(e)	54
4	Bankruptcy Rule 3022.....	33
5	Bankruptcy Rule 7062.....	54
6	Bankruptcy Rule 9006(a)	4, 13
7	Bankruptcy Rule 9019.....	28, 44, 48
8	Fed. R. of Civ. P. 59.....	7
9	Fed. R. of Civ. P. 60.....	7
10	Local Rule 3022-1	33
11	Los Angeles Municipal Code Section 21.9.6.....	30
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

INTRODUCTION

Debtor Oceanwide Plaza LLC (the “Debtor” or “Oceanwide”) is a chapter 11 debtor and debtor-in-possession in the above-captioned chapter 11 case (this “Chapter 11 Case”). This case was initiated on February 13, 2024 (the “Petition Date”), by the filing of an involuntary petition for relief against Debtor (the “Involuntary Petition”) under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Central District of California (this “Court”) by Lendlease (US) Construction Inc., Standard Drywall, Inc., Star Hardware, Inc., Woodbridge Glass Inc., and Mitsubishi Electric US, Inc. (collectively, the “Petitioning Creditors”). On March 8, 2024, Debtor filed its *Answer* [ECF No. 27] to the Involuntary Petition and consented to entry of an order for relief. On March 11, 2024 (the “Relief Date”), the clerk of the Court issued the *Order for Relief* [ECF No. 29] (the “Relief Order”).

This document is Debtor’s [Second Amended](#) Liquidating Chapter 11 Plan (the “Plan”)

Chapter 11 of the Bankruptcy Code allows the debtor, and under some circumstances, creditors and other parties-in-interest, to propose a plan of reorganization. This Plan is a liquidating plan of reorganization that contemplates the sale of substantially all of Debtor’s assets. The Plan provides for the closing of a sale of Debtor’s Property, as defined below, on or before the Effective Date. After the Plan is fully administered, Debtor will be dissolved.

I DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME

A. Defined Terms.

The following terms shall have the respective meanings specified below when used in capitalized form in this Plan.

1. “*Administrative Claims*” means any and all requests for payment of costs or expenses of the kind specified in Section 503(b) and entitled to priority under Section 507, including, but not limited to: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estate and operating the business of Debtor; (b) Bankruptcy Fees; (c) Cure Costs; and (d) Allowed Professional Fee Claims.

2. “**Administrative Claims Bar Date**” means the first Business Day that is the 30th day after notice of entry of the Confirmation Order is filed with the Bankruptcy Court or such later date as may be established by an order of the Bankruptcy Court.

3. “**Allowed**” means, with respect to any Claim or Equity Interest: (a) any Claim or Equity Interest arising on or before the Effective Date that is (i) (A) timely filed by the applicable Bar Date or (B) as to which there exists no requirement for the Holder of such Claim to file such Claim under the Plan, the Bankruptcy Code, the Bankruptcy Rules, or a Final Order; and (ii) (A) as to which no objection to allowance, priority, or secured status, and no request for estimation or other challenge, including pursuant to Section 502(d) or otherwise, has been instituted by the applicable objection deadline, or (B) as to which any objection has been determined in favor of the respective Holder by Final Order, but only to the extent allowed by Final Order; (b) any Claim or Equity Interest that is compromised, settled, or otherwise resolved pursuant to the authority of Debtor; (c) any Claim or Equity Interest as to which the liability of Debtor, as applicable, and the amount thereof are determined by a Final Order of a court of competent jurisdiction other than the Bankruptcy Court; or (d) any Claim or Equity Interest expressly allowed hereunder; *provided, however*, that notwithstanding the foregoing, unless expressly waived by the Plan, the Allowed amount of Claims or Equity Interests shall, to the extent applicable, be subject to the limitations under or maximum amounts permitted by the Bankruptcy Code, including Sections 502 or 503.

4. “**Architect**” means Arcadis, Inc., or its successors and assigns with respect to the intellectual property rights asserted in the Instruments of Service defined in Article V(f) below.

5. “**Architect Claim**” means claim number 28-1 submitted by Arcadis, Inc.

6. “**Architect Claim Amount**” means the amount of claim number 28-1, as it may be amended, stipulated to, or otherwise established.

7. ~~4.~~ “**Assets**” means all of Debtor’s right, title, and interest of any nature in property of any kind, wherever located, including, but not limited to, as specified in Section 541.

8. ~~5.~~ “**Assumption Schedule**” means the schedule (as may be amended), if any, of Executory Contracts and Unexpired Leases (including any amendments or modifications thereto) that Debtor will assume pursuant to the Plan and which will be included in the Plan Supplement.

1 9. ~~6.~~ **“Avoidance Actions”** means any and all actual or potential claims and causes of
2 action to avoid a transfer of property or an obligation incurred by Debtor pursuant to any applicable
3 Section, including Sections 502, 510, 542, 544, 545, 547 through 550, 553, and 724(a), or under
4 similar or related state, federal, or foreign Law, including fraudulent transfer or voidable transaction
5 Laws.

6 10. ~~7.~~ **“Ballot”** means a ballot upon which certain Holders of Impaired Claims that are
7 entitled to vote may, among other things, indicate their acceptance or rejection of the Plan in
8 accordance with the Plan and the procedures governing the solicitation process, and, if applicable,
9 make such other elections as may be made thereon.

10 11. ~~8.~~ **“Ballot Summary”** shall mean the report describing the Ballots submitted
11 accepting or rejecting the Plan, a certification of the amount and number of Allowed Claims in each
12 Class accepting or rejecting the Plan and delineating the Ballots which do not conform to the voting
13 instructions.

14 12. ~~9.~~ **“Bankruptcy Code”** means title 11 of the United States Code, 11 U.S.C. §§ 101
15 *et seq.*, as may be amended, as in effect on the date hereof.

16 13. ~~10.~~ **“Bankruptcy Court”** means the United States Bankruptcy Court for the District
17 of California, or such other court having jurisdiction over the Chapter 11 Case or any proceeding
18 within, or appeal of an order entered in, the Chapter 11 Case.

19 14. ~~11.~~ **“Bankruptcy Fees”** means any and all fees or charges assessed against any
20 Estate under section 1930 of title 28 of the United States Code.

21 15. ~~12.~~ **“Bankruptcy Rules”** means the Federal Rules of Bankruptcy Procedure,
22 promulgated under section 2075 of title 28 of the United States Code and the Official Bankruptcy
23 Forms, and the general, local, and chambers rules of the Bankruptcy Court, together with any
24 amendments made thereto subsequent to the Petition Date, to the extent that any such amendments
25 are applicable to the Chapter 11 Case.

26 16. ~~13.~~ **“Bidding Procedures Order”** means the Court’s Order Granting Debtor’s
27 Motion to (I) Approve Auction and Bid Procedures for the Sale of Property; (II) Scheduling an
28 Auction and Approving the Form and Manner of Notice Thereof; and (III) Granting Related Relief

[ECF No. 276] dated June 27, 2024, as amended by the Court's *Order Approving Stipulation To Modify Certain Sale Schedule Dates* [ECF No. 319] dated July 9, 2024, and as further amended by the *Modified Order Granting Debtor's Motion To (I) Approve Auction And Bid Procedures For The Sale Of Property; (II) Scheduling An Auction And Approving The Form And Manner Of Notice Thereof; And (III) Granting Related Relief* [ECF No. 374] dated July 26, 2024.

17. ~~14.~~ **"Business Day"** means any day, other than a Saturday, Sunday or a "legal holiday" (as such term is defined in Bankruptcy Rule 9006(a)).

18. ~~15.~~ **"Cash"** means the legal tender of the United States of America or the equivalent thereof.

19. ~~16.~~ **"Causes of Action"** means any and all actions, causes of action, suits, claims, Claims, interests, damages, remedies, demands, rights, debts, dues, sums of money, accounts, reckonings, rights to legal remedies, rights to equitable remedies, rights to payment, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, demands, obligations, liabilities, defenses, offsets, powers, privileges, licenses, liens, indemnities, guaranties, franchises, and trespasses of any kind or character whatsoever of or belonging to the Estate, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, reduced or not to judgment, liquidated or unliquidated, fixed,

20. ~~17.~~ **"Chapter 11 Case"** means the case pending for Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court.

21. ~~18.~~ **"Claim"** means a claim as defined in Section 101(5) against Debtor, whether or not asserted.

22. ~~19.~~ **"Claims Bar Date"** means, as applicable, the Administrative Claims Bar Date and any other date or dates to be established by an Order of the Bankruptcy Court by which Proofs of Claim must be filed.

23. ~~20.~~ **"Claims Register"** means the official register of Claims maintained by the Notice and Claims Agent.

24. ~~21.~~ **"Class"** means a group of Claims or Equity Interests classified together pursuant to Section 1122(a)(1).

1 25. ~~22.~~ “**Confirmation**” means the Bankruptcy Court’s entry of the Confirmation Order.
2 26. ~~23.~~ “**Confirmation Date**” means the date upon which the Confirmation Order is
3 entered on the Bankruptcy Court’s docket.

4 27. ~~24.~~ “**Confirmation Hearing**” means the hearing to be held by the Bankruptcy Court
5 to consider confirmation of the Plan under Section 1129.

6 28. ~~25.~~ “**Confirmation Order**” means the order of the Bankruptcy Court confirming the
7 Plan pursuant to Section 1129.

8 29. ~~26.~~ “**Consummation**” means the occurrence of the Effective Date.

9 30. ~~27.~~ “**Cure Cost**” means all amounts, including an amount of \$0.00, required to cure
10 any monetary defaults under any Executory Contract or Unexpired Lease (or such lesser amount as
11 may be agreed upon by the parties to an Executory Contract or Unexpired Lease) and all other
12 obligations required to cure any non-monetary defaults under any Executory Contract or Unexpired
13 Lease that is to be assumed by Debtor pursuant to Sections 365 and 1123.

14 ~~28. “D&O Insurance” means all unexpired directors’, managers’, and officers’ liability~~
15 ~~insurance policies (including any “tail policy”) of Debtor with respect to Debtor’s directors,~~
16 ~~managers, officers, and employees.~~

17 31. ~~29.~~ “**Debtor**” has the meaning set forth in the introductory paragraph of this Plan.

18 32. ~~30.~~ “**DIP Facility Claim**” means the claim held by DTLA Lending LLC, or its
19 successors and assigns, under Debtor’s Debtor-in-Possession financing, as approved by the
20 Bankruptcy Court pursuant to the DIP Facility Order.

21 33. ~~31.~~ “**DIP Facility Order**” means the Final Order (I) Authorizing the Debtor to
22 Obtain Postpetition Financing, (II) Granting Liens and Superpriority Administrative Expense
23 Claims, and (III) Modifying the Automatic Stay [Dkt. 229] and any subsequent orders or
24 amendments.

25 34. ~~32.~~ “**Disclosure Statement**” means the disclosure statement and the supplement to
26 disclosure statement, as they may be amended, modified, or supplemented from time to time, that
27 were provided with the Plan that was prepared and distributed in accordance with Sections 1125,
28 1126(b), and 1145, Bankruptcy Rule 3018, and other applicable Laws.

1 35. ~~33.~~ “**Disputed**” means, with respect to any Claim or Equity Interest, except as
2 otherwise provided herein, a Claim or Equity Interest that is not yet Allowed. To the extent Debtors
3 dispute only a portion of a Claim or Equity Interest, such Claim or Equity Interest shall be deemed
4 Allowed in the amount Debtors do not dispute, if any, and Disputed as to the balance of such Claims
5 or Equity Interests.

6 36. ~~34.~~ “**Disputed Secured Creditor Reserve Treatment**” ~~means, the treatment provided~~
7 ~~to Holders of Secured Claims in the event that the Sale Proceeds are insufficient to pay all Holders~~
8 ~~of Allowed LADI Secured Claims, Lendlease Secured Claims, and Other Secured Claims in full,~~
9 ~~as described in Article III below. Any amounts subject to the Disputed Secured Creditor Reserve~~
10 ~~Treatment shall be transferred to the Liquidating Trustee upon the Effective Date, to be held in a~~
11 ~~reserve account pending resolution by agreement of the Holders of Secured Claims or Final~~
12 ~~Order.~~ shall have the meaning set forth Article VI(B).

13 37. ~~35.~~ “**Distribution Agent**” means the Liquidating Trustee, or any Person designated
14 by the Liquidating Trustee, in the capacity as distribution agent under the Plan.

15 38. ~~36.~~ “**Distribution Date**” means the date on which Holders of Claims are eligible to
16 receive distributions under the Plan.

17 39. ~~37.~~ “**Distribution Record Date**” means the date for determining which Holders of
18 Allowed Claims are eligible to receive distributions under the Plan, which date shall be: (a) the
19 Effective Date; or (b) such other date as designated by an order of the Bankruptcy Court.

20 40. ~~38.~~ “**Effective Date**” means the date that is the first Business Day upon which all
21 conditions to the effectiveness of the Plan set forth in Article VIII hereof have been satisfied or
22 waived in accordance with the terms of the Plan. Upon the occurrence of such date, Debtors shall
23 file a notice with the Bankruptcy Court indicating that the Effective Date has occurred.

24 41. ~~39.~~ “**Entity**” means an “entity” as defined in Section 101(15).

25 42. ~~40.~~ “**Equity Interest**” means any issued, unissued, authorized, or outstanding shares
26 of common stock, preferred stock, membership, limited liability company interests (whether
27 certificated or uncertificated), or other instrument evidencing an ownership interest in Debtor,
28 whether or not transferable, together with any warrants, equity-based awards, or contractual rights

1 to purchase or acquire such interests at any time, and all rights arising with respect thereto that
2 existed immediately before the Petition Date.

3 43. ~~41.~~ “*Estate*” means the estate created for Debtor pursuant to Section 541 upon the
4 commencement of the Chapter 11 Case.

5 44. ~~42.~~ “*Exculpated Parties*” means each of the following in their capacities as such: (i)
6 Debtor; (ii) all officers, directors, and members of Debtor in each case who are or were acting in
7 such capacity on or after the Petition Date, (iii) all agents, ~~members of management and other~~
8 ~~employees and representatives of Debtor, in each case who are or were acting in such capacity on~~
9 ~~or after the Petition Date; (iv) all agents,~~ attorneys, advisors, accountants, financial advisors,
10 consultants and other professionals to the extent such parties are or were acting in any such capacity
11 for the parties identified above on or after the Petition Date.

12 45. ~~43.~~ “*Executory Contract*” means a contract or lease to which Debtor is a party that
13 is subject to assumption, assumption and assignment, or rejection under Sections 365 or 1123.

14 46. ~~44.~~ “*Final Order*” means, ~~as applicable,~~ an order, ruling, or judgment of the
15 Bankruptcy Court or any other court of competent jurisdiction, as applicable, which has not been
16 reversed, vacated, or stayed and as to which the time to appeal, petition for certiorari, or move for
17 new trial, stay, re-argument, or rehearing has expired and as to which no appeal, petition for
18 certiorari, or motion for new trial, stay, re-argument, or rehearing is pending, or as to which any
19 right to appeal, petition for certiorari, move for a new trial, move for a stay, reargue, or rehear has
20 been waived in writing in form and substance satisfactory to Debtor or, in the event that an appeal,
21 writ of certiorari, new trial, stay, or re-argument or rehearing thereof has been sought, such order
22 of the Bankruptcy Court or other court of competent jurisdiction (as applicable) has been
23 determined by the highest court to which such order was appealed, or certiorari, reargument, or
24 rehearing has been denied and the time to take any further appeal, petition for certiorari, or move
25 for new trial, stay, re-argument, or rehearing has expired; *provided, however,* that the possibility
26 that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous
27 rule under the Bankruptcy Rules or applicable state or provincial court rules, may be filed with
28

respect to such order, ruling, or judgment shall not cause an order, ruling, or judgment not to be a Final Order.

47. ~~45.~~ “**General Unsecured Claim**” means any unsecured Claim against Debtor not otherwise provided for in the Plan, including (a) Claims arising from the rejection of Unexpired Leases and Executory Contracts to which Debtor is a party; and (b) Claims arising from any litigation or other court, administrative, or regulatory proceeding, including damages or judgments entered against, or settlement amounts owing by, Debtor related thereto.

48. ~~46.~~ “**Governmental Unit**” shall mean any United States national, federal, state, provincial, municipal, or local government, governmental, regulatory or administrative authority, agency, instrumentality or commission or any court, tribunal, or judicial body.

49. ~~47.~~ “**Holder**” means the beneficial holder of any Claim or Equity Interest.

50. ~~48.~~ “**Impaired**” means, with respect to a Claim or Equity Interest, such Claim or Equity Interest that falls within a Class of Claims or Equity Interests that is impaired within the meaning of Section 1124.

~~49. “**Indemnification Obligation**” means Debtor’s obligation to indemnify, reimburse, or otherwise hold financially harmless its Indemnified Parties with respect to or based upon any act or omission taken or omitted in any of the relevant capacities, or for or on behalf of Debtor, pursuant to and to the maximum extent provided by such Debtor’s certificates of incorporation, certificates of formation, bylaws, similar corporate documents, and applicable law, as in effect as of the Effective Date.~~

~~50. “**Indemnified Parties**” means Debtor’s current and former directors, officers, managers, employees, attorneys, other professionals, and agents that were employed or served in such capacity as of or prior to the Effective Date and that are entitled to be indemnified by Debtor pursuant to, among other things, Debtor’s bylaws, certificates of incorporation (or other formation documents), board resolutions, employment contracts, or other agreements.~~

51. “**Involuntary Petition**” means the involuntary petition for relief against Debtor submitted by the Petitioning Creditors under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court.

52. ***“LADI Secured Claim”*** means any and all Claims of Los Angeles Development Inc., and its successors and assigns, against Debtor ~~and secured by the Property~~which are Secured Claims arising prior to the Petition Date.

53. ***“Law”*** means any federal, state, local, or foreign “law” (including common law), statute, code, ordinance, rule, regulation, order, ruling, or judgment, in each case, that is validly adopted, promulgated, issued, or entered by a governmental authority of competent jurisdiction.

54. ***“Lendlease Secured Claim”*** means any and all Claims of Lendlease (US) Construction Inc. (“Lendlease”) against Debtor ~~and secured by the Property~~which are Secured Claims arising prior to the Petition Date. The Lendlease Secured Claim is divided into subclasses (a) and (b). Class 3(a) includes the secured Claims held directly and exclusively by Lendlease, but does not include claims of subcontractors to Lendlease which have been or may be assigned to Lendlease or any of its affiliates. Class 3(b) includes the secured Claims held by subcontractors of Lendlease regarding which Debtor and Lendlease are both liable, including Claims of subcontractors to Lendlease which have been or may be assigned to Lendlease or any of its affiliates.

55. ***“Lien”*** means a lien as defined in Section 101(37).

56. ***“Liquidating Trust”*** means the trust established as of the Effective Date to, among other things, (i) distribute funds to Holders of Allowed Claims; (ii) administer and liquidate the Plan Administration Assets; and (iii) assert, settle or abandon any Causes of Action held by Debtor as of the Effective Date pursuant to a Liquidating Trust Agreement to be included in the Plan Supplement.

57. ***“Liquidating Trustee”*** means the trustee of the Liquidation Trust, or his, her, or its successor, ~~which shall be means Oceanwide or a form of Oceanwide that, in the sole discretion of Debtor, shall be established on or before the Effective Date for the benefit of holders of Claims against, and Equity Interests in, Debtor in connection with the distribution of the Sale Proceeds and any other assets of Debtor, and otherwise for the administration of the Plan for Debtor and the Estate.~~ who Debtor anticipates will be Bradley Sharp with Development Specialists, Inc.

1 58. ***“Notice and Claims Agent”*** means Stretto, Inc., in its capacity as noticing and
2 claims agent for Debtor.

3 59. ***“Other Priority Claims”*** means any and all Claims against Debtor entitled to priority
4 in right of payment under Section 507(a) that are not Administrative Claims, Priority Tax Claims,
5 or Professional Fee Claims.

6 60. ***“Other Secured Claims”*** means any Secured Claims against Debtor that are not
7 LADI Secured Claims, Lendlease Secured Claims or Secured Tax Claims.

8 61. ***“Person”*** means a “person” as defined in Section 101(41).

9 62. ***“Petitioning Creditors”*** shall mean Lendlease (US) Construction Inc., Standard
10 Drywall, Inc., Star Hardware, Inc., Woodbridge Glass Inc., and Mitsubishi Electric US, Inc.

11 63. ***“Petition Date”*** means the date the Involuntary Petition was filed.

12 64. ***“Plan”*** shall mean this plan of liquidation under chapter 11 of the Bankruptcy Code,
13 as it may be amended, modified, or supplemented from time to time, that is prepared and distributed
14 in accordance with Sections 1125, 1126(b), and 1145, Bankruptcy Rule 3018, and other applicable
15 Laws.

16 65. ***“Plan Administration Assets”*** means all of Debtor’s assets not sold to Purchaser,
17 except for Sale Proceeds.

18 66. ***“Plan Documents”*** means any and all documents, other than the Plan or Disclosure
19 Statement, to be executed, delivered, or performed in connection with the occurrence of the
20 Effective Date, subject to any consent rights set forth in the Plan.

21 67. ***“Plan Objection Deadline”*** means the deadline established pursuant to the
22 Bankruptcy Code, Bankruptcy Rules, or Order of the Court for parties to object to Confirmation of
23 the Plan.

24 68. ***“Plan Supplement”*** means the compilation of documents, schedules, and exhibits
25 to the Plan, and forms thereof, to be filed by Debtor no later than the Plan Supplement Filing Date,
26 as the same may be amended, modified, or supplemented.

27 69. ***“Plan Supplement Filing Date”*** means the date that is ~~five~~seven calendar days prior
28 to the Plan Objection Deadline, or such later date as is determined by Debtor.

70. ***“Potential Architect Reserve”*** means the amounts transferred to the Liquidating Trust equal to the amount any disputed portion of ~~a claim under Class 5~~ the Architect Claim. Such amounts will be held by the Liquidating Trust until the dispute is resolved by Final Order, as set forth in Article III(B)(5) below.

71. ***“Priority Tax Claims”*** means any and all Claims against Debtor of the kind specified in Section 507(a)(8).

72. ***“Professionals”*** means (a) any and all professionals employed in the Chapter 11 Case pursuant to Sections 327, 328, 363, or 1103, or otherwise, and (b) any and all professionals or other Entities seeking compensation or reimbursement of expenses in connection with the Chapter 11 Case pursuant to Section 503(b)(4).

73. ***“Professional Fee Claim”*** means any Claim of a Professional seeking payment of compensation for services rendered or reimbursement of expenses incurred on or after the Petition Date and through and including the Confirmation Date, under Sections 330, 331, 503(b)(2), 503(b)(3), 503(b)(4) or 503(b)(5).

74. ***“Proof of Claim”*** means a “proof of claim,” as defined in Bankruptcy Rule 3001, or a motion or request for payment of fees, costs, or expenses made pursuant to Section 503 filed in the Chapter 11 Case.

75. ***“Property”*** means the property to be sold to Winning Bidder or the Backup Bidder, as defined in the Bidding Procedures Order, pursuant to the Purchase and Sale Contract.

76. ***“Pro-Rata Share”*** means as to a particular holder of an Allowed General Unsecured Claim ~~at any date~~, the ratio that the amount of such claim bears to the total amount of all Allowed General Unsecured Claims ~~(not otherwise electing a cash payment, if applicable) determined as if all disputed~~, following the resolution of all Disputed General Unsecured Claims ~~were allowed claims~~.

77. ***“Purchase and Sale Contract”*** means that certain Purchase and Sale Contract, by and between Purchaser and Winning Bidder or Back-Up Bidder, as applicable and as defined in the Bid Procedures Order, as thereafter may be amended or modified, pertaining to the Sale.

1 78. ***“Purchaser”*** shall mean the Person or Entity purchasing the Property pursuant to
2 the Bidding Procedures Order and Purchase and Sale Contract.

3 79. ***“Reinstated”*** or ***“Reinstatement”*** means, with respect to Claims and Equity
4 Interests, the treatment provided for in Section 1124.

5 80. ***“Relief Date”*** shall mean March 11, 2024, the date that the Court issued the Relief
6 Order.

7 81. ***“Relief Order”*** shall mean the Order for Relief entered by the Court on the Relief
8 Date.

9 82. ***“Sale”*** means the sale of the Property as set forth herein and pursuant to the Purchase
10 and Sale Contract.

11 83. ***“Sale Proceeds”*** means the net proceeds actually received by Debtor upon the
12 closing of the Sale, less all costs and expenses arising from the sale of the Property.

13 84. ***“Section”*** shall refer to the applicable section of the Bankruptcy Code, unless
14 otherwise stated.

15 85. ***“Secured Claim”*** means any and all Claims against Debtor that (a) are secured by a
16 Lien on, or security interest in, property of Debtor, or that has the benefit of rights of setoff under
17 Section 553, which Lien or right of setoff, as the case may be, is valid, perfected, and enforceable
18 under applicable law and is not subject to avoidance under the Bankruptcy Code or applicable
19 nonbankruptcy law, but only to the extent of the value of such Holder’s interest in Debtor’s interest
20 in such property, or to the extent of the amount subject to setoff, which value shall be determined
21 as provided in Section 506, or (b) otherwise Allowed pursuant to the Plan as a Secured Claim.

22 86. ***“Securities Act”*** means the Securities Act of 1933, as now in effect or hereafter
23 amended, and the rules and regulations promulgated thereunder.

24 87. ***“Security”*** has the meaning ascribed to such term in Section 101(49).

25 88. ***“Stamp or Similar Tax”*** means any stamp tax, recording tax, personal property tax,
26 conveyance fee, intangibles or similar tax, real estate transfer tax, sales tax, use tax, transaction
27 privilege tax (including, without limitation, such taxes on prime contracting and owner-builder
28 sales), privilege tax (including, without limitation, privilege taxes on construction contracting with

regard to speculative builders and owner builders), and any other similar tax imposed or assessed by any Governmental Unit.

89. *“Statutory Fees” means all fees due and owing to the U.S. Trustee, including quarterly fees under 28 U.S.C. § 1930(a), plus any interest due and payable under 31 U.S.C. § 3717.*

90. ~~89.~~ *“Subordinated Claim”* means any Claim that is subject to (a) subordination under Section 510(b), or (b) equitable subordination, as the Bankruptcy Court determines in a Final Order.

91. ~~90.~~ *“Tax Code”* means the Internal Revenue Code, as amended.

92. ~~91.~~ *“Unclaimed Distribution”* means any distribution under the Plan on account of an Allowed Claim to a Holder that has not: (a) accepted a particular distribution or, in the case of distributions made by check, negotiated such check; (b) given notice to Debtor of an intent to accept a particular distribution; (c) responded to Debtor’s request for information necessary to facilitate a particular distribution; or (d) taken any other action necessary to facilitate such distribution.

93. ~~92.~~ *“Unexpired Lease”* means a lease to which Debtor is a party that is subject to assumption, assumption and assignment, or rejection under Section 365.

94. ~~93.~~ *“Unimpaired”* means, with respect to any Claim or Equity Interest, such Claim or Equity Interest that is not Impaired.

95. ~~94.~~ *“U.S. Trustee”* means the United States Trustee for the Central District of California.

96. ~~95.~~ *“Wind Down”* means the process to wind down, dissolve, and liquidate Debtor and the Estate and distribute any of the Sale Proceeds and remaining assets in accordance with the Plan through the Liquidating Trustee.

B. *Rules of Interpretation and Computation of Time.*

(1) For purposes herein: (i) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and neuter gender; (ii) unless otherwise specified herein, any reference herein to a contract, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions

means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (iii) unless otherwise specified herein, any reference to an existing document or exhibit having been filed or to be filed shall mean that document or exhibit, as it may thereafter be amended, modified, or supplemented; (iv) unless otherwise specified herein, all references herein to “Articles” and “Exhibits” are references to Articles and Exhibits, respectively, of the Plan; (v) the words “herein,” “hereof,” “hereunder,” and “hereto” refer to the Plan in its entirety rather than to a particular portion or section of the Plan; (vi) the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitations, and shall be deemed to be followed by the words “without limitation”; (viii) references to “shareholders,” “directors,” and/or “officers” shall also include “members” and/or “managers,” as applicable, as such terms are defined under the applicable state limited liability company Laws; (viii) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (ix) unless otherwise specified herein, the rules of construction set forth in Section 102 shall apply; (x) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (xi) references to docket numbers are references to the docket numbers of documents filed in the Chapter 11 Case under the Bankruptcy Court’s CM/ECF system; and (xii) except as otherwise provided herein, any references to the “Effective Date” shall mean the Effective Date or as soon as reasonably practicable thereafter.

(2) The provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein, unless otherwise provided for herein.

(3) All references in this Plan to monetary figures refer to currency of the United States of America, unless otherwise expressly provided.

(4) Any immaterial effectuating provision may be interpreted by Debtor in a manner that is consistent with the overall purpose and intent of the Plan without further Final Order of the Bankruptcy Court.

II UNCLASSIFIED CLAIMS

In accordance with Section 1123(a)(1), Administrative Claims, Priority Tax Claims and Professional Fee Claims have not been classified and are thus excluded from the Classes of Claims and Equity Interests Set forth in Article III of the Plan Below.

A. DIP Facility Claims.

Unless otherwise agreed to by the Holder of an Allowed DIP Facility Claim and Debtor, each Holder of an Allowed DIP Facility Claim shall receive in full and final satisfaction, settlement, and release of and in exchange for its Allowed DIP Facility Claim, an amount of Cash equal to the unpaid portion of such Allowed DIP Facility Claim on the date the Sale is closed unless the Sale Proceeds are less than the amount needed to pay the Allowed Secured Tax claims and the Allowed DIP Facility Claims in full, and in such circumstances, the amount of the Sale Proceeds not necessary to pay the Allowed Secured Tax Claim in full shall be paid to the Holder of an Allowed DIP Facility Claim pursuant to the DIP Facility Order.

B. Administrative Claims.

(1) Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and Debtor, each Holder of an Allowed Administrative Claim (except with respect to Priority Tax Claims, Professional Fee Claims, and Statutory Fees) shall receive in full and final satisfaction, settlement, and release of and in exchange for its Allowed Administrative Claim, an amount of Cash equal to the unpaid portion of such Allowed Administrative Claim: (i) if such Administrative Claim is Allowed on or prior to the Effective Date, on the Effective Date (or, if not then due, when such Administrative Claim is due or as soon as reasonably practicable thereafter); (ii) if such Administrative Claim is Allowed after the Effective Date, on the date that such order determining and allowing such Administrative Claim becomes a Final Order or as soon as reasonably practicable thereafter; or (iii) at such other time and upon such other terms as set forth in a Final Order of the Bankruptcy Court.

(2) All requests for payment of an Administrative Claim (other than ~~professional~~Professional Fee Claims~~-or~~, Statutory Fees, or Administrative Claims that are not disputed and arose in the ordinary course of business) that accrued on or before the Effective Date

1 must be filed with the Bankruptcy Court and served on Debtor no later than the Administrative
2 Claims Bar Date. Holders of Administrative Claims (other than Professional Fee Claims) that are
3 required to, but do not, file and serve a request for payment of such Administrative Claims by the
4 Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such
5 Administrative Claims against Debtor, or the Estate, and such Administrative Claims shall be
6 deemed compromised, settled, and released as of the Effective Date.

7 (3) Debtor, in its sole and absolute discretion, may settle Administrative Claims in the
8 ordinary course of business without further Bankruptcy Court approval. Debtor may also object to
9 any Administrative Claim no later than 45 days after the Administrative Claims Bar Date, subject
10 to: (i) any extensions granted by the Bankruptcy Court, (i) the agreement in writing of Debtor and
11 the Holder of such Administrative Claim, or (iii) on motion of a party in interest approved by the
12 Bankruptcy Court. Unless Debtor, the Liquidating Trustee, or other party with standing, objects to
13 a timely filed and properly served Administrative Claim, a timely filed and properly served
14 Administrative Claim shall be deemed Allowed in the amount requested. In the event that Debtor
15 or the Liquidating Trustee objects to an Administrative Claim, the parties thereto may confer to
16 attempt to settle such objection and, in the event that such settlement attempts fail, shall file a
17 motion with the Bankruptcy Court to determine whether such Administrative Claim should be
18 allowed and, if so, in what amount.

19 C. *Priority Tax Claims*

20 Except to the extent that each Holder of an Allowed Priority Tax Claim agrees to less
21 favorable treatment, in full and final satisfaction, settlement, and release of and in exchange for
22 each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated
23 in accordance with the terms set forth in Section 1129(a)(9)(C); *provided however*, that Debtor or
24 the Liquidating Trustee shall have the right to pay any Allowed Priority Tax Claim, or any unpaid
25 balance thereof, in full at any time on or after the Effective Date, without incurring premium or
26 penalty. To the extent any allowed Priority Tax Claim is not due and owing on or before the
27 Effective Date, such Claim shall be paid in accordance with the terms of any agreement between
28 Debtor and the Holder of such Claim, which such Allowed Priority Tax Claim becomes due and

1 payable under applicable non-bankruptcy Law, or in the ordinary course of business. In the event
2 that an Allowed Priority Tax Claim is also a Secured Claim, such Claim shall, to the extent it is
3 Allowed, be treated as an Other Secured Claim if such Claim is not otherwise paid in full.

4 D. *Professional Fee Claims*

5 (1) All final requests for payment of Professional Fee Claims must be filed no later than
6 the Administrative Claims Bar Date. After notice and hearing, the Allowed amounts of such
7 Professional Fee Claims shall be determined by the Bankruptcy Court.

8 (2) Unless otherwise agreed to by the Holder of an Allowed Professional Fee Claim and
9 Debtor, as applicable, to the extent an Allowed Professional Fee Claim has not already been paid
10 in full or otherwise satisfied during the Chapter 11 Case, each Holder of an Allowed Professional
11 Fee Claim shall receive in full and final satisfaction, settlement, and release of and in exchange for
12 of its Allowed Professional Fee Claim an amount of Cash equal to the unpaid portion of such
13 Allowed Professional Fee Claim within five Business Days of entry of an Order approving such
14 Professional Fee Claim, or as soon as reasonably practical thereafter.

15 (3) Except as otherwise specifically provided herein, on and after the Confirmation
16 Date, Debtor shall pay in Cash the reasonable and documented legal, professional, or other fees and
17 expenses related to the implementation of the Plan and Consummation incurred by Debtor after the
18 Confirmation Date in the ordinary course of business and without any further notice to or action,
19 order, or approval of the Bankruptcy Court. Debtor shall pay, within ten Business Days, or as soon
20 as reasonably practical thereafter, after submission of a detailed invoice to Debtor, such reasonable
21 Claims for compensation or reimbursement of expenses incurred by Debtor's Professionals. From
22 and after the Confirmation Date, any requirement that Professionals comply with Sections 327
23 through 331, 363, and 1103 in seeking retention or compensation for services rendered after such
24 date shall terminate, and Debtor may employ and pay any Professional in the ordinary course of
25 business without any further notice to or action, order, or approval of the Bankruptcy Court.

26 E. *Statutory Fees*

27 Debtor shall pay all ~~fees due and owing to the U.S. Trustee, including quarterly fees under~~
28 ~~28 U.S.C. § 1930(a), plus any interest due and payable under 31 U.S.C. § 3717~~ Statutory Fees on

1 all disbursements, including Plan payments and disbursements in and outside the ordinary course
2 of Debtor's business at the time of Confirmation, pursuant to the applicable statutory payment
3 schedule. On and after the Effective Date, to the extent that the Chapter 11 Case remains open, and
4 for so long as the Liquidating Trustee remains obligated to pay such quarterly fees, the Liquidating
5 Trustee shall pay such applicable fees as they become due in the ordinary course of business until
6 the Bankruptcy Court enters a final decree in the Chapter 11 Case.

7 **III CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS**

8 A. *Classification of Claims*¹

9 The Plan constitutes a chapter 11 plan for Debtor, and the classification of Claims and
10 Equity Interests set forth herein shall apply to Debtor. In accordance with Section 1123(a)(1),
11 Debtors have not classified DIP Facility Claims, Administrative Claims, Priority Tax Claims, and
12 Professional Fee Claims, as described in Article II above.

13 The categories of Claims and Equity Interests listed below classify Claims and Equity
14 Interests for all purposes, including for purposes of voting, Confirmation, and distribution pursuant
15 to the Plan and pursuant to Sections 1122 and 1123(a)(1). A Claim or Equity Interest shall be
16 deemed classified in a particular Class only to the extent that such Claim or Equity Interest qualifies
17 within the description of such Class and shall be deemed classified in a different Class to the extent
18 that any remainder of such Claim or Equity Interest qualifies within the description of such different
19 Class.

20 The classification and the manner of satisfying all Claims under the Plan take into
21 consideration: (a) the existence of guarantees or alleged guarantees by Debtor of obligations of
22 other Affiliates or Entities, if any; and (b) that Debtor may be joint obligors with other Affiliates or
23 Entities with respect to the same obligation.

24 B. *Class Identification*

25 The following chart represents the classification of Claims and Equity Interests for Debtor
26 pursuant to the Plan:
27
28

¹ Debtor reserves the right to separately classify Claims to the extent necessary to comply with any requirements under the Bankruptcy Code or applicable Law.

Class	Claims and Equity Interests	Status	Voting Rights
Class 1	Secured Tax Claims	Not Impaired	No
Class 2	LADI Secured Claims	Impaired	Yes
Class 3	Lendlease Secured Claims	Impaired	Yes
Class 4	Other Secured Claims	Impaired	Yes
Class 5	Architect Claim <u>Reserved</u>	Not Impaired	No
Class 6	Other Priority Claims	Impaired	Yes
Class 7	All General Unsecured Claims	Impaired	Yes
Class 8	Intercompany Claims	Impaired	Yes
<u>Class 9</u>	<u>Subordinated Claims</u>	<u>Impaired</u>	<u>Yes</u>
Class 9 <u>10</u>	Equity Interests	Impaired	Yes

C. *Treatment and Voting Rights of Claims and Equity Interests*

Except to the extent that Debtor and a Holder of an Allowed Claim or Allowed Equity Interest, as applicable, agree to less favorable treatment, such Holder shall receive under the Plan the treatment described below in full and final satisfaction, settlement, and release of, and in exchange for, such Holder's Allowed Claim or Allowed Equity Interest. Unless otherwise indicated herein, the Holder of an Allowed Claim or Allowed Equity Interest, as applicable, shall receive such treatment on the Effective Date, except as otherwise provided in and subject to Article VII below, or, if payment is not due, in accordance with its terms in the ordinary course.

(1) *Class 1 – Secured Tax Claims*

(a) *Classification:* Class 1 consists of the Holders of tax claims which are secured by tax liens on the Property (“Secured Tax Claims”).

(b) *Treatment:* Except to the extent that a Holder of an Allowed Secured Tax Claim agrees to less favorable treatment, in exchange for full and final satisfaction, settlement, and release of each Secured Tax Claim, each Holder of such Allowed Secured Tax Claim shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets up to the full amount of its Claim on or as soon as reasonably practicable after (1) the Effective Date, (2) the date on which such other Secured Tax Claim becomes an Allowed

Secured Tax Claim, or (3) such other date as may be ordered by the Bankruptcy Court.

(c) *Impairment and Voting:* Class 1 is not impaired and not entitled to vote to accept or reject the Plan.

(2) *Class 2 – LADI Secured Claims*

(a) *Classification:* Class 2 consists of the LADI Secured Claim.

(b) *Treatment:* Except to the extent that a Holder of the Allowed LADI Secured Claim agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for the LADI Secured Claim, each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after the Allowed Secured Tax Claims and Allowed DIP Facility Claim are paid in full, following the payment of all or any portion of the Allowed Lendlease Secured Claims and/or Allowed Other Secured Claims which a court of competent jurisdiction has ruled has priority over any portion or all of any Allowed LADI Secured Claim in a Final Order, up to the full amount of the unpaid portion of such Allowed LADI Secured Claim, on the later of: (A) the Effective Date; (B) the ~~entry of a Final Order from a court of competent jurisdiction ruling on the respective priorities of the Holders of a LADI Secured Claim, Lendlease Secured Claim, or Other Secured Claims in the event the Sale Proceeds are insufficient to pay the Allowed Lendlease Secured Claims, LADI Secured Claims, and Other Secured Claims in full;~~ (C) ~~if such LADI Secured Claim is Allowed after the Effective Date, then within five (5) Business Days, or as soon as reasonably practicable thereafter, following a Final Order or Final Orders determining the allowed amount of the LADI Secured Claim and determining the priority of the Lendlease Secured Claims and Other Secured Claims on the Property; or (D)~~ date calculated pursuant to the Disputed Creditor Reserve Treatment, as

defined in Article VI(B), if applicable; and (C) at such other time as Debtor and such Holder agree or have agreed. ~~For the avoidance of doubt, if the Sale Proceeds are insufficient to pay all Holders of Allowed LADI Secured Claims, Lendlease Secured Claims, and Other Secured Claims in full, then no portion of the LADI Secured Claim will be Allowed until all priority disputes between Holders of LADI Secured Claims, Lendlease Secured Claims, and Other Secured Claims are resolved by Final Order(s) (the “Disputed Secured Creditor Reserve Treatment”).~~

(c) *Impairment and Voting:* Class 2 is Impaired and entitled to vote to accept or reject the Plan.

(3) *Class 3 – Lendlease Secured Claims*

(a) *Classification:* Class 3 consists of all Lendlease Secured Claims.

(b) *Sub-Classes:* Class 3 is divided into two sub-classes. Class 3(a) includes the secured Claims held directly by Lendlease. Class 3(b) includes the Secured Claims held by subcontractors of Lendlease for which Debtor and Lendlease are both liable, including Claims of subcontractors to Lendlease which have been or may be assigned to Lendlease or any of its affiliates.

(c) *Treatment.* Except to the extent that a Holder of the Allowed Lendlease Secured Claim in Classes 3(a) or 3(b) agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for the Lendlease Secured Claims in Classes 3(a) and 3(b), each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after the Allowed Secured Tax Claims and Allowed DIP Facility Claim are paid in full, following the payment of all or any portion of the Allowed LADI Secured Claim and/or Allowed Other Secured Claims which a court of competent jurisdiction has ruled has priority over any portion or all of any Allowed Lendlease Secured Claims in a Final Order, up to the full amount of the unpaid portion of such Allowed

Lendlease Secured Claim, on the later of: (A) the Effective Date; (B) the ~~entry of a Final Order from a court of competent jurisdiction ruling on the respective priorities of the Holders of a LADI Secured Claim, Lendlease Secured Claim, or Other Secured Claims in the event the Sale Proceeds are insufficient to pay the Allowed Lendlease Secured Claims, LADI Secured Claims, and Other Secured Claims in full;~~ (C) if such Lendlease Secured Claim is Allowed after the Effective Date, then within five (5) Business Days, or as soon as reasonably practicable thereafter, following a Final Order or Final Orders determining the allowed amount of the Lendlease Secured Claim and determining the priority of the LADI Secured Claim and Other Secured Claims on the Property; or (D) date calculated pursuant to the Disputed Creditor Reserve Treatment, as defined in Article VI(B), if applicable; and (C) at such other time as Debtor and such Holder agree or have agreed. ~~For the avoidance of doubt, if the Sale Proceeds are insufficient to pay all Holders of Allowed LADI Secured Claims, Lendlease Secured Claims, and Other Secured Claims in full then Debtor will deposit the remaining Sale Proceeds in accordance with the Disputed Secured Creditor Reserve Treatment.~~

- (d) *Duplicative Claims:* The Liquidating Trust will make a distribution of an Allowed Class 3(b) claim directly to the Holder, unless it is determined, pursuant to the terms set forth in the Liquidating Trust Agreement, that the Holder of the Class 3(b) claim was paid by Lendlease. In the event the Holder of the Class 3(b) Claim was paid by Lendlease (US) Construction Inc., the Liquidating Trust will make the distribution of such Allowed Claim to Lendlease (US) Construction Inc.
- (e) *Impairment and Voting:* Class 3 is Impaired and entitled to vote to accept or reject the Plan.

(4) *Class 4 – Other Secured Claims*

(a) *Classification:* Class 4 consists of all Other Secured Claims.

(b) *Treatment:* Except to the extent that a Holder of the Allowed Other Secured Claim agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for the Other Secured Claims, each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after the Allowed Secured Tax Claims and Allowed DIP Facility Claim are paid in full, following the payment of all or any portion of the Allowed LADI Secured Claim and/or Allowed Lendlease Secured Claims which a court of competent jurisdiction has ruled has priority over any portion or all of any Allowed Other Secured Claim in a Final Order, up to the full amount of the unpaid portion of such Allowed Other Secured Claim, on the later of: (A) the Effective Date; (B) the ~~entry of a Final Order from a court of competent jurisdiction ruling on the respective priorities of the Holders of a LADI Secured Claim, Lendlease Secured Claim, or Other Secured Claims in the event the Sale Proceeds are insufficient to pay the Allowed Lendlease Secured Claims, LADI Secured Claims, and Other Secured Claims in full;~~ (C) ~~if such Other Secured Claim is Allowed after the Effective Date, then within five (5) Business Days, or as soon as reasonably practicable thereafter, following a Final Order or Final Orders determining the allowed amount of the Other Secured Claim and determining the priority of the LADI Secured Claim and Lendlease Secured Claims on the Property; or (D) date~~ calculated pursuant to the Disputed Creditor Reserve Treatment, as defined in Article VI(B), if applicable; and (C) at such other time as Debtor and such Holder agree or have agreed. ~~For the avoidance of doubt, if the Sale Proceeds are insufficient to pay all Holders of Allowed LADI Secured Claims, Lendlease Secured Claims, and Other Secured Claims in full then Debtor~~

~~will deposit the remaining Sale Proceeds in accordance with the Disputed Secured Creditor Reserve Treatment.~~

(c) *Treatment:* Class 4 is Impaired and entitled to vote to accept or reject the Plan.

(5) Class 5- ~~Architect Claim.~~ Reserved

~~(a) Classification: Class 5 consists of the executory contract with Areadis Inc., the architect for the development at the Property (the “Architect”). The Architect timely filed a Proof of Claim, claim number 28-1 in the amount of \$2,411,799.98 (as may be amended, stipulated to, or otherwise established, the “Architect Claim Amount”) for architectural services performed in connection with that certain Agreement dated as of May 26, 2014, by and between Tohigh Construction Investment LLC, and RTKL Associates Inc., as amended and supplemented from time to time (the “Architect Agreement”). Debtor’s rights to dispute the additional amount of the claim is reserved if Architect’s claim is amended to increase the amount of the claim from the amount set forth above. The amount of any such dispute, if any, shall be reserved and transferred to the Liquidating Trust (the “Potential Architect Reserve”).~~

~~(b) Architect owns the copyright in the Architect’s instruments of service (including architectural plans, specifications, designs, associated renderings, and any electronic format thereof including BIM and AutoCAD) (the “Instruments of Service”), which Instruments of Service may not be used in connection with the bidding or sale process without Architect’s written consent.~~

~~(c) Treatment: Debtor has elected to assume (or assume and assign) the Architect Agreement and will cure any defaults at the closing of the Sale by paying the Architect Claim Amount, less the Potential Architect Reserve, from Sale Proceeds on the Effective Date. Upon such assumption of the Architect Agreement, including payment of the Architect Cure Amount: (a) Architect~~

shall have no duty to continue to perform under the Architect Agreement (other than as set forth below), (b) Debtor (or an assignee) shall have no obligation to continue to perform under the Architect Agreement post-closing, and (c) Architect shall have no further pre-petition or post-petition rights, title or claims against Debtor or the estate (other than its rights under the Plan, which are expressly preserved, and its rights under any New Architect Agreement, if applicable). Architect has provided provisions for its consent a license and or New Architect Agreement, that will be set forth in the Assumption Schedule (defined below). However, no payment of any portion of the Architect Claim Amount that is Disputed as of the Effective Date will be made until such disputed portions are resolved pursuant to Article VII below.

~~(d) Treatment: Class 5 is not impaired and will not be entitled to vote on the Liquidating Plan.~~

(6) *Class 6 - Other Priority Claims*

(a) *Classification:* Class 6 consists of all Other Priority Claims.

(b) *Treatment:* Except to the extent that a Holder of an Other Priority Claim agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for each Other Priority Claim, each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after the Secured Tax Claims, LADI Secured Claims, Lendlease Secured Claims, Other Secured Claims, Administrative Claims, Priority Tax Claims, Professional Fee Claims, and Statutory Fees are paid in full, up to the full amount of the unpaid portion of such Other Priority Claim on the later of: (A) the Effective Date; (B) ~~if such Other Priority Claim is Allowed after the Effective Date, on the date that such order determining and allowing such Other Priority Claim becomes a Final Order or as soon as reasonably practicable thereafter~~ the date calculated

1 pursuant to the Disputed Creditor Reserve Treatment, as defined in Article
2 VI(B), if applicable; and (C) at such other time as Debtor and such Holder
3 agree or have agreed.

4 (c) *Treatment*: Class 6 is Impaired and entitled to vote to accept or reject the
5 Plan.

6 (7) *Class 7 – All General Unsecured Claims*

7 (a) *Classification*: Class 6 consists of all General Unsecured Claims.

8 (b) *Treatment*: Except to the extent that a Holder of a General Unsecured Claim
9 agrees to less favorable treatment, in full and final satisfaction, compromise,
10 settlement, and release of and in exchange for each General Unsecured
11 Claim, each Holder thereof shall be paid in Cash from the Sale Proceeds
12 and/or Plan Administration Assets remaining after the Secured Tax Claims,
13 LADI Secured Claims, Lendlease Secured Claims, Other Secured Claims,
14 Other Priority Claims, Administrative Claims, Priority Tax Claims,
15 Professional Fee Claims, and Statutory Fees are paid in full, up to the full
16 amount of the unpaid portion of such General Unsecured Claim on the later
17 of: (A) the Effective Date; (B) ~~if such General Unsecured Claim is Allowed~~
18 ~~after the Effective Date, on the date that such order determining and allowing~~
19 ~~such General Unsecured Claim becomes a Final Order or as soon as~~
20 ~~reasonably practicable thereafter~~ the date calculated pursuant to the Disputed
21 Creditor Reserve Treatment, as defined in Article VI(B), if applicable; and
22 (C) at such other time as Debtor and such Holder agree or have agreed. To
23 the extent that any claims initially included in Class 7 are re-characterized
24 and Allowed as equity interests, they will be instead by included in Class 10
25 below.

26 (c) *Treatment*: Class 7 is Impaired and entitled to vote to accept or reject the
27 Plan.
28

(8) *Class 8 – Intercompany Claims.*

(a) *Classification:* Class 8 consists of all Claims held by Debtor’s parents or affiliates (“Intercompany Loan Claims”).

(b) *Treatment:* Except to the extent that a Holder of a Intercompany Loan Claim agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for each Intercompany Claim, each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after the Secured Tax Claims, LADI Secured Claims, Lendlease Secured Claims, Other Secured Claims, Other Priority Claims, Administrative Claims, Priority Tax Claims, Professional Fee Claims, and Statutory Fees are paid in full, up to the full amount of the unpaid portion of such Intercompany Claim on the later of: (A) the Effective Date; (B) ~~if such General Unsecured Claim is Allowed after the Effective Date, on the date that such order determining and allowing such Intercompany Claim becomes a Final Order or as soon as reasonably practicable thereafter~~the date calculated pursuant to the Disputed Creditor Reserve Treatment, as defined in Article VI(B), if applicable; and (C) at such other time as Debtor and such Holder agree or have agreed. The Holders of Allowed Intercompany Claims shall be paid *in pari passu* with Holders of Allowed General Unsecured Claims outlined in Class 7 above. To the extent that any claims initially included in Class 8 are re-characterized and Allowed as equity interests, they will be instead by included in Class 10 below.

(c) *Treatment:* Class 8 is Impaired and entitled to vote to accept or reject the Plan.

(9) *Class 9 – ~~Equity Interests~~ Subordinated Claims*

(a) *Classification:* Class 9 consists of all Subordinated Claims.

(b) *Treatment:* Except to the extent that a Holder of a Subordinated Claim agrees to less favorable treatment, in full and final satisfaction, compromise and

settlement, and release of an in exchange for each Subordinated Claim, each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after each Class with priority over such Subordinated Claim according to the Final Order which found that such Claim was a Subordinated Claim on the later of: (A) the Effective Date; (B) the date calculated pursuant to the Disputed Creditor Reserve Treatment, as defined in Article VI(B), if applicable; or (C) at such other time as Debtor and such Holder agree or have agreed.

(10) Class 10 – Equity Interests

(a) *Classification:* Class 9~~10~~ consists of all Equity Interests.

(b) *Treatment:* Except to the extent that a Holder of an Equity Interest agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for each Equity Interest, each Holder thereof shall be paid in Cash from the Sale Proceeds and/or Plan Administration Assets remaining after the Secured Tax Claims, LADI Secured Claims, Lendlease Secured Claims, Other Secured Claims, Other Priority Claims, Administrative Claims, Priority Tax Claims, Professional Fee Claims, Statutory Fees, and General Unsecured Claims are paid in full, on the later of: (A) the Effective Date; or (B) at such other time as Debtor and such Holder agree or have agreed.

D. *Special Provision Governing Unimpaired Claims*

To the extent that Debtor later amends this Plan to note that one or more of the Classes identified above are Unimpaired, except as otherwise expressly provided herein, nothing in the Plan shall affect Debtor's rights with respect to any Unimpaired Claim, including, but not limited to, all rights to legal and equitable defenses, setoffs or recoupments against any such Unimpaired Claim.

E. *Voting; Presumptions; Solicitation*

(1) *Acceptance by Certain Impaired Classes.* Only Holders of Allowed Claims in Impaired Classes are entitled to vote to accept or reject the Plan. An Impaired Class of Claims shall

1 have accepted the Plan if: (i) the Holders of at least 66.6% in amount of the Allowed Claims actually
2 voting in such Class have voted to accept the Plan and (ii) the Holders of more than one half (1/~~3~~2)
3 in number of the Allowed Claims actually voting in such Class have voted to accept the Plan.
4 Currently, all Classes, except for ~~Classes 1 and 5~~Class 1, are Impaired and have received, or will
5 receive, Ballots containing detailed voting instructions. Debtor reserves the right to amend this Plan
6 to designate certain Classes as Unimpaired in the event that a Purchase and Sale Contract is
7 executed which, if closed, result in one or more of the Classes identified above being unimpaired
8 prior to the submission of the Ballot Summary.

9 (2) *Conclusively Presumed Acceptance by Unimpaired Classes.* In the event that this
10 Plan is amended to demonstrate that one or more Classes are Unimpaired, holders of such
11 Unimpaired Claims shall be conclusively presumed to accept the Plan pursuant to Section 1126(f)
12 of the Bankruptcy Code. Accordingly, such Holders are not entitled to vote to accept or reject the
13 Plan and the vote of such Holder shall not be solicited or included in the Ballot Summary.

14 (3) *Controversy Concerning Impairment.* If a controversy arises as to whether any
15 Claims or Equity Interests, or any Class thereof, is Impaired, the Bankruptcy Court shall, after
16 notice and a hearing, determine such controversy on or before the Confirmation Date.

17 (4) *Elimination of Classes.* To the extent applicable, any Class that does not contain any
18 Allowed Claims or any Claims temporarily allowed for voting purposes under Bankruptcy Rule
19 3018, as of the date of the commencement of the Confirmation Hearing, shall be deemed to have
20 been deleted from this Plan, for purposes of determining whether such Class has accepted or
21 rejected this Plan under Section 1129(a)(8) of the Bankruptcy Code.

22 F. *Subordinated Claims.*

23 The allowance, classification, and treatment of all Allowed Claims and Equity Interests,
24 and their respective distributions and treatments under the Plan, shall take into account and confirm
25 the relative priority and rights of the Claims and Equity Interests in each Class in connection with
26 any contractual, legal, and equitable subordination rights relating thereto, whether arising under the
27 general principles of equitable subordination, Section 510(b), or otherwise. All Claims and all rights
28 and claims between or among Holders of Claims relating in any manner whatsoever to distributions

on account of Claims or Equity Interests, based upon any claimed subordination rights, whether asserted or unasserted, legal or equitable, shall be deemed satisfied by the distributions under the Plan to Holders of Claims having such subordination rights, and such subordination rights shall be deemed waived, released, and terminated as of the Effective Date. Except as otherwise specifically provided for in the Plan, distributions to the Classes of Claims hereunder shall not be subject to levy, garnishment, attachment, or any other such similar legal process by any Holder of a Claim by reason of any subordination rights or otherwise, so that each Holder of a Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan. Pursuant to Section 510 of the Bankruptcy Code, except where otherwise provided herein, Debtor reserves the right to [seek to reclassify any Allowed Claim or Equity Interest, following notice and a hearing and by Final Order of the Court](#) in accordance with any contractual, legal, or equitable subordination rights relating thereto.

G. *No Waiver.*

Nothing contained in this Plan shall be construed to waive a Debtor's or other Entity's right to object on any basis to any Claim or Lien, including after the Effective Date.

IV MEANS FOR IMPLEMENTATION OF THE PLAN

A. *Compromise of Controversies*

Pursuant to Section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classifications, distributions, and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims, Equity Interests, Causes of Action, and controversies resolved under the Plan, and shall be deemed a motion to approve such good-faith compromise and settlement, and the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable, reasonable, and in the best interests of Debtor and the Estate. Subject to Article VII below, all distributions made to Holders of Allowed Claims and Allowed Equity Interests (as applicable) in any Class are intended to be and shall be final.

B. *Sources of Consideration for Plan Distribution*

Debtor shall fund distributions under the Plan with the Sale Proceeds, Plan Administration Assets, and Cash on hand. Cash payments to be made pursuant to the Plan will be made by Debtor or the Liquidating Trustee.

C. *Sale.*

(1) After Confirmation, Debtor shall consummate the Sale, and any other transactions contemplated by the Purchase and Sale Contract. Upon consummation of the Sale, the Property shall be transferred and vest in Purchaser, pursuant to the terms of the Purchase and Sale Contract ~~and Bidding Procedures~~, the Plan, and Confirmation Order. Upon entry of the Confirmation Order by the Bankruptcy Court, the Sale and Purchase and Sale Contract will be deemed approved, all matters provided for under the Purchase and Sale Contract and any related documentation will be deemed authorized and approved without any requirement of further act or action and Debtor will be authorized to execute and deliver, and to Consummate the transactions contemplated by, the Purchase and Sale Contract and any related documentation, as well as to execute, deliver, file, record, and issue any notes, documents (including UCC financing statements), or agreements in connection therewith, without further notice to or order of the Bankruptcy Court, act or action under applicable Law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

(2) Prior to, on, or as soon as reasonably practicable after the Effective Date, Debtor may take all actions as may be reasonably necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan or any Plan Supplement, including: (i) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any property, right, liability, duty or obligation on terms consistent with the terms of the Plan; and (ii) all other actions that Debtor reasonably determines are necessary or appropriate.

D. *Plan Administration and Wind Down*

(1) On the Effective Date, and subject to the terms of the Liquidating Trust Agreement, the Liquidating Trustee shall accept authority over the Plan Administration Assets as a plan

1 administration officer; *provided however*, that that the Liquidating Trustee may abandon or
2 otherwise not accept any assets that the Liquidating Trustee believes, in good faith, have no value
3 to the administration of the Plan or the Wind Down. As of the Effective Date, all assets vested as
4 Plan Administration Assets and all unincumbered assets dealt with in the Plan shall be free and
5 clear of all Liens, Claims, and Equity Interests except as otherwise specifically provided in the Plan
6 or in the Confirmation Order.

7 (2) The powers, rights, and responsibilities of the Liquidating Trustee shall include the
8 authority and responsibility to: (i) receive, manage, invest, supervise, and protect the Plan
9 Administration Assets; (ii) pay taxes or other obligations incurred by the Estate after the Effective
10 Date; (iii) retain and compensate, without further order of the Bankruptcy Court, the services of
11 employees, professionals, and consultants to advise and assist in the administration, prosecution,
12 and distribution of Plan Administration Assets; (iv) calculate and implement distributions of Plan
13 Administration Assets; (v) assert, settle, and abandon retained Causes of Action; (vi) resolve issues
14 involving Claims and Equity Interests; (vii) liquidate the Plan Administration Assets in a
15 commercially reasonable manner, and (viii) perform such other duties and functions that are
16 consistent with the implementation of the Plan and undertake all administrative functions of the
17 Chapter 11 Case, including the ultimate closing of the Chapter 11 Case. The Liquidating Trustee is
18 the successor to Debtor, the Estate, and Debtor's rights to books and records and to all of Debtor's
19 rights and privileges, including attorney client privilege. The Liquidating Trustee shall be
20 authorized pursuant to Section 554, in its sole discretion without any further notice to any party or
21 action, order or approval of the Bankruptcy Court, to abandon, dispose of, or destroy in any
22 commercially reasonable manner all originals or copies of any documents, books and records,
23 including any electronic records, of Debtor which the Liquidating Trustee reasonably concludes
24 are burdensome or of inconsequential value and benefit five (5) years following the Effective Date,
25 so long as such documents are no longer subject to any pending litigation hold.

26 (3) On the Effective Date, the Liquidating Trustee shall also have the power, right, and
27 responsibility to conduct the Wind Down and to take possession of all books, records, and files of
28 Debtor and the Estate and provide for the retention and storage of such books, records, and files

1 until such time as the Liquidating Trustee determines that retention of same is no longer necessary
2 or required. The Liquidating Trustee is authorized and empowered to effect the dissolution of
3 Debtor as soon as practicable after the Effective Date, but after the Plan Administration Assets are
4 liquidated, without the need for any company action or approval, and neither Debtor nor the
5 Liquidating Trustee shall be required to pay any taxes or fees to cause such dissolution. On the
6 Effective Date, the Liquidating Trustee shall Wind Down the affairs of Debtor and file final tax
7 returns for Debtor. The Liquidating Trustee shall be authorized to file on behalf of Debtor and any
8 non-Debtor Affiliates, certificates of dissolution and any and all other corporate and company
9 documents necessary to effectuate the Wind Down without further action under applicable law,
10 regulation, order, or rule, including any action by the stockholders, members, the board of directors,
11 or similar governing body of Debtor.

12 (4) Debtor shall indemnify and hold harmless the Liquidating Trustee solely in its
13 capacity as such for any losses incurred in such capacity, except to the extent such losses were the
14 result of the Liquidating Trustee's gross negligence, willful misconduct, or criminal conduct.

15 (5) From and after the Effective Date, assertion, settlement, or abandonment of all
16 retained Causes of Action shall be the sole responsibility of the Liquidating Trustee pursuant to the
17 Plan and the Confirmation Order. From and after the Effective Date, the Liquidating Trustee shall
18 have exclusive rights, powers, and interests of the Estate to assert, settle, or abandon such retained
19 Causes of Action as the sole representative of the Estate pursuant to Section 1123(b)(3) of the
20 Bankruptcy Code. All such retained Causes of Action are reserved and preserved. All causes of
21 action between the Debtor and any other party pending prior to the Effective Date will be
22 transferred to the Liquidating Trust as of the Effective Date. At such time, the Liquidating Trust
23 will be entitled to all claims, defenses, and other rights and privileges accorded to the Debtor in
24 such proceedings following their transfer. Parties who are engaged in active litigation as of the
25 Effective Date will be permitted to continue such litigation in the Liquidating Trust.

26 (6) All reasonable expenses incurred by the Liquidating Trustee, if any, shall be the
27 responsibility of the Estate and paid from Plan Administration Assets or Sale Proceeds.
28

1 E. *Corporate Action.*

2 (1) On the Effective Date, all actions contemplated by the Plan, any Plan Supplement,
3 and the Purchase and Sale Contract shall be deemed authorized and approved in all respects, and
4 all such actions taken or caused to be taken shall be deemed to have been authorized and approved
5 by the Bankruptcy Court. All matters provided for in the Plan involving the corporate structure
6 of Debtor and any corporate action required by Debtor in connection with the Plan shall be
7 deemed to have timely occurred and shall be in effect and shall be authorized and approved in
8 all respects, without any requirement of further action by the security holders, directors, or
9 officers of Debtor or otherwise.

10 (2) On or before the Effective Date, as applicable, the appropriate officers of Debtor,
11 shall be authorized and, as applicable, directed, to issue, execute, and deliver the agreements,
12 documents, and instruments contemplated by the Plan and the Purchase and Sale Contract (or
13 necessary or desirable to effect the transactions contemplated by the foregoing) in the name of and
14 on behalf of Debtor, and any and all agreements, documents, and instruments relating to the
15 foregoing.

16 (3) The authorizations and approvals contemplated by this Section IV, E. shall be
17 effective notwithstanding any requirements under non-bankruptcy Law.

18 (4) After the Effective Date, to the extent necessary and pursuant to the terms of the
19 Liquidating Trust Agreement, the Liquidating Trustee shall have all authority to address any and
20 all matters that would have required the approval of, and to act on behalf of, the stockholders,
21 directors, members, or managers of Debtor, including the winding down and dissolution of Debtor.

22 F. *Vesting of Assets.*

23 On the Effective Date, pursuant to Sections 1141(b) and (c), the Plan Administration Assets,
24 if any, shall vest in the Liquidating Trust for the purpose of liquidating the Plan Administration
25 Assets and winding down the Estate. Unencumbered Plan Administration Assets shall transfer to
26 the Liquidating Trust free and clear of all Liens, Claims, charges, and other encumbrances.

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

1 G. *Exemptions from Certain Transfer Taxes and Recording Fees.*

2 To the fullest extent permitted by Section 1146(a), Section 11923 of the California Revenue
3 and Tax Code and Section 21.9.6 of the Los Angeles Municipal Code, the Sale, and any other
4 transfer from Debtor to any Entity pursuant to, in contemplation of, or in connection with the Plan
5 or pursuant to: (a) the issuance, distribution, transfer, or exchange of any debt, securities, or other
6 interest in Debtor; (b) the creation, modification, consolidation, or recording of any mortgage, deed
7 of trust or other security interest, or the securing of additional indebtedness by such or other means;
8 (c) the making, assignment, or recording of any lease or sublease; or (d) the making, delivery, or
9 recording of any deed or other instrument of transfer under, in furtherance of, or in connection with,
10 the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in
11 connection with any transaction arising out of, contemplated by, or in any way related to the Plan,
12 shall not be subject to any Stamp or Similar Tax or governmental assessment, and the appropriate
13 state or local governmental officials or agents shall forego the collection of any such tax or
14 governmental assessment and shall accept for filing and recordation any of the foregoing
15 instruments or other documents without the payment of any such tax or governmental assessment.
16 Unless the Bankruptcy Court orders otherwise, all sales, transfers, and assignments of owned and
17 leased property approved by the Bankruptcy Court on or before the Effective Date shall be deemed
18 to have been in furtherance of, or in connection with, the Plan.

19 H. *Effectuating Documents; Further Transactions.*

20 Prior to, on, and after the Effective Date, Debtor and the directors, managers, officers,
21 authorized persons, and members of the boards of directors or managers and directors thereof, are
22 authorized to and may issue, execute, deliver, file or record such contracts, securities, instruments,
23 and other agreements or documents and take such actions as may be necessary or appropriate to
24 effectuate, implement, and further evidence the terms and provisions of the Plan without the need
25 for any approvals, authorizations, actions, or consents except for those expressly required pursuant
26 to the Plan.

27 The Confirmation Order shall, and shall be deemed to, pursuant to both Sections 363 and
28 1123 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or

appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan.

I. *Nonconsensual Confirmation*

Debtor intends to undertake to have the Bankruptcy Court confirm the Plan under Section 1129(b) of the Bankruptcy Code as to any Classes that reject or are deemed to reject the Plan.

J. *Closing of Chapter 11 Case.*

The Liquidating Trustee shall promptly after the full administration of the Case, file with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Case. Upon the filing of a motion to close the Case, Debtor shall file a final report with respect to the Case pursuant to Local Rule 3022-1.

V TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. *Assumption and Rejection of Executory Contracts and Unexpired Leases.*

(1) All Executory Contracts and Unexpired Leases of Debtor that are not otherwise assumed or rejected will be deemed rejected by Debtor in accordance with the provisions and requirements of Sections 365 and 1123, other than (i) those that are identified on the Assumption Schedule; (ii) those that have been previously assumed pursuant to a Final Order prior to the Effective Date; (iii) those that are the subject of a motion seeking assumption or rejection as of the Effective Date; or (iv) those that are to be assumed pursuant to the terms of the Plan. Each Executory Contract and Unexpired Lease assumed pursuant to this Article V but not assigned to a third party shall be deemed to be accepted by Debtor, and be fully enforceable by, Debtor in accordance with the terms thereof, except as otherwise modified by the provisions of this Plan, or by any order of the Bankruptcy Court.

(2) The Confirmation Order shall constitute an order of the Bankruptcy Court: (i) approving the assumption, assumption and assignment, or rejection, as the case may be, of Executory Contracts or Unexpired Leases, as described in this Plan, any Plan Supplement, and the Assumption Schedule pursuant Sections 365(a) and 1123(b)(2); (ii) providing that each assumption, assignment, or rejection, as the case may be, is in the best interest of Debtor, the Estate, and all parties in interest in the Chapter 11 Case; and (iii) providing that the requirements for

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

1 assumption or assumption and assignment of any Executory Contract or Unexpired Lease to be
2 assumed have been satisfied. Unless otherwise indicated, all assumptions or rejections of Executory
3 Contracts or Unexpired Leases pursuant to the Plan are effective as of the Effective Date.
4 Counterparties to Executory Contracts or Unexpired Leases that are deemed rejected as of the
5 Effective Date shall have the right to assert any Claim on account of the rejection of such Executory
6 Contracts or Unexpired Leases subject to compliance with the requirements herein; *provided,*
7 *however,* that such Claims must be filed with the clerk of the Bankruptcy Court and served upon
8 the Liquidating Trustee and counsel for Debtor within thirty (30) days of the Bankruptcy Court
9 entering the Confirmation Order; *provided, further,* that any Claims arising from the rejection of
10 an Executory Contract or Unexpired Lease not filed within the time required by this section will be
11 forever barred from assertion against Debtor, the Estate, the property of Debtor, or the Liquidating
12 Trustee. Any Claim arising from the rejection of Executory Contracts or Unexpired Leases that
13 becomes an Allowed Claim shall be classified as a General Unsecured Claim.

14 (3) Except as otherwise provided herein or agreed to by Debtor and the applicable
15 counterparty, each assumed Executory Contract or Unexpired Lease shall include all modifications,
16 amendments, supplements, restatements, or other agreements related thereto, and all rights related
17 thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options,
18 rights of first refusal, and any other interests. To the maximum extent permitted by law, to the
19 extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to this Plan
20 restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the
21 assumption of such Executory Contract or Unexpired Lease (including any “change of control”
22 provision), then such provision shall be deemed modified such that the transactions contemplated
23 by the Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or
24 Unexpired Lease or to exercise any other default-related rights with respect thereto. Modifications,
25 amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired
26 Leases that have been executed by Debtor during the Chapter 11 Case shall not be deemed to alter
27 the prepetition nature of the Executory Contract or Unexpired Lease or the validity, priority, or
28 amount of any Claims that may arise in connection therewith.

(4) Debtor shall create the Assumption Schedule in consultation with Purchaser, and Purchaser shall approve any assumptions, rejections, or modifications of material Executory Contracts and Unexpired Leases as set forth therein, and such approval may not be unreasonably withheld, conditioned, or delayed. Notwithstanding anything to the contrary herein, Debtor reserves the right to alter, amend, modify, or supplement the Assumption Schedule at any time before the Effective Date, in consultation with Purchaser.

B. *Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.*

(1) Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed or assumed and assigned pursuant to the Plan shall be satisfied, pursuant to Section 365(b)(1), by payment of the Cure Cost in Cash on the Effective Date, subject to the limitation described in the following paragraph, or on such other terms as the parties to such Executory Contract or Unexpired Lease may otherwise agree. No later than the Plan Supplement Filing Date, to the extent not previously filed with the Bankruptcy Court and served on affected counterparties, Debtor shall file and serve upon the counterparties to the agreements listed in the Assumption Schedule notices of proposed assumption and proposed Cure Costs, together with procedures for objecting thereto and resolution of disputes by the Bankruptcy Court. Any objection by a contract or lease counterparty to a proposed assumption, assumption and assignment, or related Cure Cost must be filed, served, and received by Debtor within fourteen (14) days of such assumption or assumption and assignment.

(2) Any counterparty to an Executory Contract or Unexpired Lease that fails to timely object to the proposed assumption, assumption and assignment, or Cure Cost five (5) Business Days prior to the Confirmation Hearing shall be deemed to have consented to such assumption, assumption and assignment, or Cure Cost. In the event of a dispute regarding: (i) the amount of any Cure Cost, (ii) the ability Debtor or any assignee to provide “adequate assurance of future performance” within the meaning of Section 365(b), if applicable, under the Executory Contract or the Unexpired Lease to be assumed or assumed and assigned, and/or (iii) any other matter pertaining to assumption and/or assumption and assignment, then the Bankruptcy Court shall hear such dispute prior to the assumption and/or assumption and assignment becoming effective, and

1 the applicable Cure Costs associated therewith (if any) shall be paid following entry of a Final
2 Order resolving the dispute and approving the assumption or assumption and assignment and shall
3 not prevent or delay implementation of the Plan or Effective Date; *provided, however*, that Debtor
4 may settle any dispute regarding the amount of any Cure Cost without any further notice to any
5 party or any action, order, or approval of the Bankruptcy Court; *provided, further*, that
6 notwithstanding anything to the contrary herein, Debtor reserves the right to reject any Executory
7 Contract or Unexpired Lease within 30 days after the entry of a Final Order resolving an objection
8 to assumption or assumption and assignment, determining the Cure Cost for an Executory Contract
9 or Unexpired Lease that was subject to a dispute, or resolving any request for adequate assurance
10 of future performance required to assume such Executory Contract or Unexpired Lease.

11 (3) Assumption or assumption and assignment of any Executory Contract or Unexpired
12 Lease pursuant to the Plan or otherwise, and the payment of the associated Cure Cost, if any, shall
13 result in the full release and satisfaction of any Claims or defaults, whether monetary or
14 nonmonetary, including defaults of provisions restricting the change in control or ownership
15 interest composition or other bankruptcy-related defaults, arising under any assumed Executory
16 Contract or Unexpired Lease at any time prior to the effective date of assumption or assumption
17 and assignment. Any Proofs of Claim filed with respect to an Executory Contract or Unexpired
18 Lease that has been assumed or assumed and assigned, and the associated Cure Cost paid, shall be
19 deemed disallowed and expunged, without further notice to or action, order, or approval of the
20 Bankruptcy Court.

21 C. *Insurance Policies*

22 Notwithstanding anything to the contrary in this Plan, objection to any Claim, or any other
23 document related to any of the foregoing, all insurance policies pursuant to which Debtor has any
24 obligations in effect as of the Effective Date shall be deemed and treated as executory contracts
25 pursuant to the Plan and shall be assumed by Debtor or the Liquidating Trustee, as applicable, and
26 shall continue in full force and effect thereafter in accordance with their respective terms. All other
27 insurance policies not expressly assumed or assumed and assigned shall be deemed rejected.
28

1 D. *Reservation of Rights.*

2 Nothing contained in this Plan shall constitute an admission by Debtor that any contract or
3 lease is in fact an Executory Contract or Unexpired Lease or that Debtor has any liability
4 thereunder. If there is a dispute regarding whether a contract or lease is or was executory or
5 unexpired at the time of assumption or rejection, Debtor shall have forty-five (45) days following
6 entry of a Final Order resolving such dispute to alter its treatment of such contract or lease.

7 E. *Nonoccurrence of the Effective Date.*

8 In the event that the Effective Date does not occur, the Bankruptcy Court shall retain
9 jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired
10 Leases pursuant to pursuant to Section 365(d)(4), unless such deadline(s) have expired.

11 F. *Assumption of the Architect Claim.*

12 Architect owns the copyright in the Architect's instruments of service (including
13 architectural plans, specifications, designs, associated renderings, and any electronic format thereof
14 including BIM and AutoCAD) (the "Instruments of Service"), which Instruments of Service may
15 not be used in connection with the bidding or sale process without Architect's written consent.

16 Debtor has elected to assume (or assume and assign) the Architect Agreement and will cure
17 any defaults at the closing of the Sale by paying the Architect Claim Amount, less the Potential
18 Architect Reserve, from Sale Proceeds on the Effective Date. Upon such assumption of the
19 Architect Agreement, including payment of the Architect Cure Amount: (a) Architect shall have
20 no duty to continue to perform under the Architect Agreement (other than as set forth below), (b)
21 Debtor (or an assignee) shall have no obligation to continue to perform under the Architect
22 Agreement post-closing, and (c) Architect shall have no further pre-petition or post-petition rights,
23 title or claims against Debtor or the estate (other than its rights under the Plan, which are expressly
24 preserved, and its rights under any New Architect Agreement, if applicable). Architect has
25 provided provisions for its consent a license and or New Architect Agreement, that will be set forth
26 in the Assumption Schedule (defined below). However, no payment of any portion of the Architect
27 Claim Amount that is Disputed as of the Effective Date will be made until such disputed portions
28 are resolved pursuant to Article VII below.

1 **VI PROVISIONS GOVERNING DISTRIBUTIONS**

2 A. *Distribution on Account of Claims and Equity Interests Allowed as of the Effective*
3 *Date.*

4 Except as otherwise provided in this Plan, a Final Order, or as agreed to by the relevant
5 parties, distributions under the Plan on account of Claims and Equity Interests Allowed on or
6 before the Effective Date shall be made on the Distribution Date; *provided, however,* that: (a)
7 Allowed Administrative Claims with respect to liabilities incurred by Debtor in the ordinary
8 course of business during the Chapter 11 Case or assumed by Debtor prior to the Effective Date
9 shall be paid or performed in the ordinary course of business in accordance with the terms and
10 conditions of any controlling agreements, course of dealing, course of business, or industry
11 practice and (b) in accordance with Article II of this Plan, Allowed Priority Tax Claims, unless
12 otherwise agreed, shall be treated in accordance with the terms set forth in Section 1129(a)(9)(C)
13 of the Bankruptcy Code. To the extent any Allowed Priority Tax Claim is not due and owing on
14 the Effective Date, such Claim shall be paid in accordance with the terms of any agreement
15 between Debtor and the Holder of such Claim, or as may be due and payable under applicable
16 non-bankruptcy Law, or in the ordinary course of business.

17 On or before the Effective Date, and in the event that the Sale Proceeds are insufficient to
18 pay the LADI Secured Claims and Lendlease Secured Claims in full, Debtor shall deposit all Sale
19 Proceeds, less the amounts paid to satisfy the DIP Facility Claims and any costs associated with
20 the Sale, into an escrow account, pursuant to an interest bearing escrow agreement that is
21 reasonably acceptable to the Holders of the LADI Secured Claims and Lendlease Secured Claims
22 and for the benefit of the Holders of the LADI Secured Claims and Lendlease Secured Claims.
23 The Sale Proceeds that are escrowed shall be released from the escrow account only be: (i) Final
24 Order of the Court regarding the respective priorities of the LADI Secured Claims and Lendlease
25 Secured Claims, or (ii) by written agreement of the Holders of the LADI Secured Claims and
26 Lendlease Secured Claims.

B. *Distribution of Account of Claims and Equity Interest Allowed After the Effective Date.*

(1) Disputed Creditor Reserve Treatment.

(a) Transfer of Disputed Claims to Liquidating Trust. If the Sale Proceeds are insufficient to pay Holders of Secured Claims in full, or if a Claim is otherwise Disputed, then the portion of the Sale Proceeds that would be used to pay such Claims will be deposited into a blocked segregated account to be maintained by the Liquidating Trust for the benefit of the Holders of such Disputed Claims (the “Disputed Creditor Reserve”) with all such liens, claims, encumbrances, and/or interests of the Holder of the Disputed Claim to the Property attaching to the proceeds to the same order and priority as they previously attached to the Property.

(b) ~~(4)~~ Payments and Distributions on Disputed Claims. Except as otherwise provided in this Plan, a Final Order, or as agreed to by the relevant parties, distributions under this Plan on account of Disputed Claims that become Allowed after the Effective Date shall be made on the first day that Debtor shall make payment on such claim the later of (i) on the first day that is thirty (30) Business Days after such Disputed Claim becomes ~~an~~ Allowed ~~Claim;~~ in whole or in part; (ii) on the day that distributions become available to members of that Class; or (iii) with respect to Holders of General Unsecured Claims, the day the Pro Rata Share of such Holder is determined (the “Disputed Creditor Reserve Treatment”) provided, however, that: (i) Disputed Administrative Claims with respect to liabilities incurred by Debtor in the ordinary course of business during the Chapter 11 Case or assumed by Debtor on or before the Effective Date that become Allowed after the Effective Date shall be paid or performed in the ordinary course of business in accordance with the terms and conditions of any controlling agreements, course of dealing, course of business, or industry practice; and

(ii) Disputed Priority Tax Claims that become Allowed Priority Tax Claims after the Effective Date shall be treated as Allowed Priority Tax Claims in accordance with Article II of this Plan.

(2) *Special Rules for Distributions to Holders of Disputed Claims.* Notwithstanding any provision otherwise in this Plan and except as otherwise agreed to by the relevant parties, no payments or distributions shall be made with respect to a Disputed Claim until all such disputes related to such Disputed Claim has been resolved by settlement or agreement among the relevant parties or by Final Order.

C. *Timing and Calculation of Amounts to Be Distributed.*

Except as otherwise provided herein, on the Distribution Date, each Holder of an Allowed Claim shall receive the full amount of the distribution that the Plan provides for Allowed Claims in the applicable Class. Except as otherwise provided in this Plan or any order of the Bankruptcy Court, Holders of Claims shall not be entitled to interest, dividends, or accruals on the distributions provided for in this Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date. Notwithstanding the foregoing, Holders of Secured Claims subject to the Disputed Creditor Reserve Treatment may recover post-Effective Date interest if otherwise allowed pursuant to Section 506(b) of the Bankruptcy Code.

D. *Delivery of Distributions.*

(1) On the Distribution Record Date, the Claims Register shall be closed and any party responsible for making distributions shall be authorized and entitled to recognize only those Holders of Claims listed on the Claims Register as of the close of business on the Distribution Record Date. Notwithstanding the foregoing, if a Claim is transferred twenty (20) or fewer days before the Distribution Date, Distribution Agent shall make distributions to the transferee only to the extent practical and, in any event, only if the relevant transfer form contains an unconditional and explicit certification and waiver of any objection to the transfer by the transferor. Debtor, the Liquidating Trustee and the Distribution Agent shall have no obligation to recognize any transfer of any applicable Claims occurring after the close of business on the Distribution Record Date, and

1 shall be entitled to recognize and deal for all purposes under the Plan with only those Holders of
2 record as of the close of business on the Distribution Record Date.

3 (2) *Cash Distributions.* Distributions of Cash may be made either by check drawn on a
4 domestic bank or wire transfer from a domestic bank, at the option of Debtor or the Liquidating
5 Trustee, except that Cash payments made to foreign creditors may be made in such funds and by
6 such means as are necessary or customary in a particular foreign jurisdiction.

7 (3) *Delivery of Distributions in General.* Except as otherwise provided in the Plan,
8 Distribution Agent shall make distributions to Holders of Allowed Claims at the address for each
9 such Holder as indicated in Debtor's records as of the date of any such distribution, including the
10 address set forth in any Proof of Claim filed by that Holder; *provided, however*, that the manner of
11 such distributions shall be determined at the discretion of Debtor or the Liquidating Trustee, and
12 no Distribution Agent shall incur any liability whatsoever on account of any distributions under the
13 Plan.

14 E. *Distributions by Distribution Agent.*

15 The Liquidating Trustee shall serve as Distribution Agent (provided that the Liquidating
16 Trustee may hire professional or consultants to assist with making disbursements or to act as
17 Distribution Agent) and shall cause all distributions to be made to Holders of Claims after the
18 Effective Date. Distribution Agent shall not be required to give any bond or surety or other security
19 for the performance of its duties unless otherwise ordered by the Bankruptcy Court.

20 F. *Minimum Distributions.*

21 Notwithstanding anything herein to the contrary, Debtor, the Liquidating Trustee, and
22 Distribution Agent shall not be required to make distributions or payments of less than \$100
23 (whether Cash or otherwise) and shall not be required to make partial distributions or payments of
24 fractions of dollars. Whenever any payment or distribution of a fraction of a dollar under the Plan
25 would otherwise be called for, the actual payment or distribution shall reflect a rounding of such
26 fraction to the nearest whole dollar or share of applicable equity interests (up or down), with half
27 dollars and half shares of applicable equity interests or less being rounded down.
28

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

1 G. *Undeliverable Distributions.*

2 (1) *Holders of Certain Undeliverable Distributions.* If any distribution to a Holder of
3 an Allowed Claim made in accordance herewith is returned to Debtor or the Liquidating Trustee
4 (or its Distribution Agent) as undeliverable, no further distributions shall be made to such Holder.
5 Undeliverable distributions shall remain in the possession of Debtor or the Liquidating Trustee,
6 subject to Section 6.7(b) below, until such time as any such distributions become deliverable.
7 Undeliverable distributions shall not be entitled to any additional interest, dividends, or other
8 accruals of any kind on account of their distribution being undeliverable.

9 (2) *Failure to Claim Undeliverable Distributions.* Any distribution under the Plan that
10 is an Unclaimed Distribution for a period of six (6) months after such distribution shall be deemed
11 unclaimed property under Section 347(b) and such Unclaimed Distribution shall revert to and vest
12 in Debtor or the Liquidating Trustee free of any restrictions thereon. Upon vesting, the Claim of
13 any Holder or successor to such Holder with respect to such property shall be cancelled and forever
14 barred, notwithstanding federal or state escheat, abandoned, or unclaimed property laws to the
15 contrary. Nothing contained herein shall require Debtor or the Liquidating Trustee to attempt to
16 locate any Holder of an Allowed Claim.

17 (3) *Failure to Present Checks.* Checks issued by Distribution Agent on account of
18 Allowed Claims shall be null and void if not negotiated within 90 days after the issuance of such
19 check. Any Holder of an Allowed Claim holding an un-negotiated check that does not request
20 reissuance of such un-negotiated check within 90 days after the date of mailing or other delivery of
21 such check shall have its Claim for such un-negotiated check forever barred, estopped, and enjoined
22 from asserting any such Claim against Debtor, the Liquidating Trustee, or its property. Within 90
23 days after the mailing or other delivery of any such distribution checks, notwithstanding applicable
24 escheatment Laws, all such distributions shall revert to Debtor or the Liquidating Trustee. Nothing
25 contained herein shall require Debtor or the Liquidating Trustee to attempt to locate any Holder of
26 an Allowed Claim.

H. *Compliance with Tax Requirements/Allocations.*

In connection with this Plan, to the extent applicable, Debtor and the Liquidating Trustee shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant hereto shall be subject to such withholding and reporting requirements. Notwithstanding any provision in this Plan to the contrary, Debtor, the Liquidating Trustee, and Distribution Agent shall be authorized to take all actions reasonably necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions or establishing any other mechanisms they believe are reasonable and appropriate. Debtor and the Liquidating Trustee reserve the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, liens, and encumbrances.

I. *Surrender of Cancelled Instruments or Securities.*

Except as otherwise provided in this Plan, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of a certificate or instrument evidencing a Claim shall be deemed to have surrendered such certificate or instrument to the Liquidating Trustee. Except as otherwise expressly provided in the Plan, such surrendered certificate or instrument shall be cancelled solely with respect to Debtor, and such cancellation shall not alter the obligations or rights of any non-Debtor third parties vis-à-vis one another with respect to such certificate or instrument, including with respect to any indenture or agreement that governs the rights of the Holder of a Claim or Equity Interests, which shall continue in effect. Notwithstanding anything to the contrary herein, this paragraph shall not apply to certificates or instruments evidencing Claims that are Unimpaired under the Plan.

J. *Claims Paid or Payable by Third Parties.*

(1) *Claims Paid by Third Parties.* The Notice and Claims Agent, as applicable, shall reduce in full a Claim to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not a Debtor or the Liquidating Trustee without any

1 further notice to or action, order, or approval of the Bankruptcy Court. To the extent a Holder of a
2 Claim receives a distribution on account of such Claim and receives payment from a party that is
3 not a Debtor or the Liquidating Trustee on account of such Claim, such Holder shall, within two
4 weeks of receipt thereof, repay or return the distribution under the Plan to Debtor or the Liquidating
5 Trustee, to the extent the Holder's total recovery on account of such Claim from the third party and
6 under the Plan exceeds the amount of such Claim as of the date of any such distribution under the
7 Plan.

8 (2) *Claims Payable by Insurance.* No distributions under the Plan shall be made on
9 account of an Allowed Claim that is payable pursuant to any of Debtor's insurance policies, if any,
10 until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance
11 policies. To the extent that one or more of Debtor's insurers satisfies or agrees to satisfy in full or
12 in part a Claim, if any, then immediately upon such insurers' agreement, the applicable portion of
13 such Claim may be expunged without a Claim objection having to be filed and without any further
14 notice to or action, order, or approval of the Bankruptcy Court.

15 (3) Except as otherwise provided in this Plan, distributions to Holders of Allowed
16 Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing
17 contained in this Plan shall constitute or be deemed a waiver of any Cause of Action that Debtor or
18 any Entity may hold against any other Entity, including insurers under any policies of insurance,
19 nor shall anything contained herein constitute or be deemed a waiver by such insurers of any
20 defenses, including coverage defenses, held by such insurers.

21 **VII PROCEDURES FOR RESOLVING DISPUTED CLAIMS OR EQUITY**
22 **INTERESTS**

23 A. *Allowance of Claims and Equity Interests.*

24 (1) Except as provided in Article IX of this Plan, the Liquidating Trustee shall have and
25 retain any and all rights and defenses Debtor had with respect to any Claim or Equity Interest
26 immediately prior to the Effective Date, except with respect to any Claim deemed Allowed under
27 the Plan.
28

(2) Except as expressly provided in this Plan or in any order entered in the Chapter 11 Case prior to the Effective Date (including the Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Court has entered a Final Order (including the Confirmation Order) in the Chapter 11 Case allowing such Claim. All settled Claims approved prior to the Effective Date pursuant to a Final Order of the Bankruptcy Court, pursuant to Bankruptcy Rule 9019 or otherwise, shall be binding on all parties.

B. *Claims Administration Responsibility.*

As of the Effective Date, all pending objections to Claims transferred to the Liquidating Trust, who will be entitled to all rights, privileges and defenses held by the Debtor with respect to such Claims. Except as otherwise specifically provided in this Plan or order of the Bankruptcy Court, and notwithstanding any requirements that may be imposed pursuant to Bankruptcy Rule 9019, on and after the Effective Date, and subject to the terms of the Liquidating Trust Agreement, the Liquidating Trustee shall have the ~~sole~~ authority for administering, disputing, objecting to, compromising, or otherwise resolving all Claims against, and Equity Interests in, Debtor, including the authority: (a) to file, withdraw, or litigate to judgment objections to Claims or Equity Interests; (b) to settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court; and (c) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court. In the event that any objection to a Claim filed by Debtor remains pending as of the Effective Date, the Liquidating Trustee shall be deemed substituted for Debtor as the objecting party.

Notwithstanding this Article VII(B), ~~upon the request of a party~~ other parties in interest, ~~the Liquidating Trustee may in its sole discretion consent to such party in interest pursuing an objection to a specific claim or equity interest~~ may object to Claims in accordance with the terms of the Liquidating Trust Agreement.

1 C. *Estimation of Claims and Equity Interests.*

2 Before or after the Effective Date, Debtor or the Liquidating Trustee, as applicable, may
3 (but are not required to) at any time request that the Bankruptcy Court estimate any Claim or Equity
4 Interest pursuant to Section 502(c), or determine the amounts of secured and priority claims
5 pursuant to Bankruptcy Rule 3012, for any reason, regardless of whether any party previously
6 objected to such Claim or Equity Interest or whether the Bankruptcy Court has ruled on any such
7 objection; and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim or Equity
8 Interest, including during the litigation of any objection to any Claim or Equity Interest or during
9 the appeal relating to such objection. Notwithstanding any provision otherwise in this Plan, a Claim
10 or Equity Interest that has been expunged from the Claims Register, but that either is subject to
11 appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars,
12 unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court
13 estimates any Claim or Equity Interest, such estimated amount shall constitute a limitation on the
14 maximum amount of such Claim or Equity Interest for all purposes under the Plan, and the
15 Liquidating Trustee may elect to pursue any supplemental proceedings to object to any distribution
16 on such Claim or Equity Interest. Notwithstanding Section 502(j), in no event shall any Holder of
17 a Claim that has been estimated be entitled to seek reconsideration of such estimation unless such
18 Holder has filed a motion requesting the right to seek such reconsideration on or before twenty-
19 one (21) days after the date on which such Claim is estimated. Each of the foregoing procedures
20 are cumulative and not exclusive of one another. Claims may be estimated and compromised,
21 settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court. For the
22 avoidance of doubt, nothing in this subsection shall impact any priority dispute pending between
23 any other Creditors in this Court or any court of competent jurisdiction.

24 D. *Adjustment to Claims and Equity Interests Without Objection.*

25 Any Claim or Equity Interest that has been paid or satisfied, or any Claim or Equity Interest
26 that has been amended or superseded, may be adjusted or expunged on the Claims Register by the
27 Liquidating Trustee without filing an objection to such Claim or Equity Interest or further notice to
28 or action, order, or approval of the Bankruptcy Court.

1 E. *Disallowance of Certain Claims.*

2 Any Claims held by Entities from which property is recoverable under Section 542, 543,
3 550, or 553 or by a transferee of a transfer avoidable under Section 522(f), 522(h), 544, 545, 547,
4 548, 549 or 724(a) shall be deemed disallowed pursuant to Section 502(d), and Holders of such
5 Claims may not receive any distributions on account of such Claims and Equity Interests until such
6 time as such Causes of Action against that Entity have been settled or a Final Order of the
7 Bankruptcy Court with respect thereto has been entered and all sums due have been turned over or
8 paid to the Liquidating Trustee. ~~All Proofs of Claim filed on account of an Indemnification~~
9 ~~Obligation to a director, officer or employee shall be deemed satisfied and expunged from the~~
10 ~~Claims Register as of the Effective Date to the extent such Indemnification Obligation is assumed~~
11 ~~(or honored or reaffirmed, as the case may be) pursuant to the Plan, without any further notice to~~
12 ~~or action, order or approval of the Bankruptcy Court.~~

13 Except as provided herein or otherwise agreed, any and all Proofs of Claim filed after the
14 Claims Bar Date shall be deemed disallowed and expunged as of the Effective Date without any
15 further notice, action, order, or approval of the Bankruptcy Court and the Holders of such Claims
16 shall not receive any distributions on account of such Claims.

17 F. *Amendments to Claims.*

18 On or after the Effective Date, except as provided herein, a Claim may not be filed or
19 amended without the prior authorization of the Bankruptcy Court or the Liquidating Trustee, and,
20 to the extent such prior authorization is not received, any such new or amended Claim filed shall
21 be deemed disallowed in full and expunged without any further action.

22 G. *No Interest on Claims, Equity Interests, or Disputed Claims.*

23 Unless otherwise specifically provided for in this Plan, or as otherwise required by Section
24 506(b) of the Bankruptcy Code, Postpetition interest shall not accrue or be paid on Claims or Equity
25 Interests and no Holder of a Claim or Equity Interest shall be entitled to interest accruing on or after
26 the Petition Date on any Claim or Equity Interest. Without limiting the foregoing, unless otherwise
27 specifically provided for in this Plan, or otherwise required by Section 506(b) of the Bankruptcy
28

Code, interest shall not accrue or be paid on any Disputed Claim from the Effective Date to the date a final distribution is made, if any.

VIII CONDITIONS PRECEDENT TO THE EFFECTIVE DATE

A. *Conditions Precedent to Confirmation of the Plan.*

The following are conditions precedent to the entry of the Confirmation Order:

(1) The Plan Supplement and all of the schedules, documents, and exhibits contained therein have been filed, and;

~~(2) The Plan shall not have been materially amended, altered, or modified except as set forth herein; and~~

(2) ~~(3)~~ The Winning Bidder and/or Backup Bidder (as defined in the Bidding Procedures Order) has been selected, through the Auction or otherwise.

B. *Conditions Precedent to the Effective Date*

The Effective Date shall not occur unless and until each of the following conditions have occurred or been waived in accordance with the terms herein:

(1) all documents, certificates, and agreements necessary to implement the Plan shall have been executed and tendered for delivery to the required parties and, to the extent required, filed with the applicable Governmental Units in accordance with applicable Laws, and all conditions precedent to the effectiveness of such documents and agreements shall have been satisfied or waived pursuant to the terms thereof (or will be satisfied and waived substantially concurrently with the occurrence of the Effective Date);

~~(2) The Plan shall not have been materially amended, altered, or modified in the Confirmation Order, unless such material amendment, alteration, or modification has been made as set forth herein;~~

(2) ~~(3)~~ there shall be no ruling, judgment, or order issued, by any Governmental Unit or otherwise making illegal, enjoining, or otherwise preventing or prohibiting the consummation of the Sale; and

(3) ~~(4)~~ the Sale shall have closed and been consummated.

1 C. *Waiver of Conditions Precedent.*

2 Debtor may waive any of the conditions to the Effective Date set forth above at any time,
3 without any notice to any parties in interest and without any further notice to or action, order, or
4 approval of the Bankruptcy Court, and without any formal action other than a proceeding to confirm
5 the Plan.

6 D. *Effect of Failure of Conditions Precedent.*

7 If the Effective Date does not occur, then upon notice by Debtor to the Bankruptcy Court:
8 (a) the Plan shall be null and void in all respects; (b) any settlement or compromise embodied in
9 the Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected under the
10 Plan, and any document or agreement executed pursuant to the Plan shall be deemed null and void;
11 and (c) nothing contained in this Plan or the Confirmation Order shall: (i) constitute a waiver or
12 release of any Claims, Equity Interests, (ii) prejudice in any manner the rights of Debtor or any
13 other Entity; or (iii) constitute an admission, acknowledgment, offer, or undertaking of any sort by
14 Debtor or any other Entity.

15 E. *Reservation of Rights.*

16 The Plan shall have no force or effect unless and until the Confirmation Order is entered.
17 Prior to the Effective Date, none of the filing of this Plan, any statement or provision contained in
18 this Plan, or action taken by Debtor or First Lien Lender with respect to the Plan shall be, or shall
19 be deemed to be, an admission or waiver of any rights of Debtor or any other party with respect to
20 any Claims or Equity Interests or any other matter.

21 F. *Substantial Consummation of Plan.*

22 Substantial consummation of the Plan under Section 1101(2) shall be deemed to occur on
23 the Effective Date.

24 **IX EFFECT OF CONFIRMATION**

25 A. *Binding Effect.*

26 Subject to the occurrence of the Effective Date, on and after the entry of the Confirmation
27 Order, the provisions of the Plan shall bind and inure to the benefit of Debtor, the Liquidating
28 Trustee, and each Holder of a Claim against or Equity Interest in Debtor and inure to the benefit of

1 and be binding on Debtor's, the Liquidating Trustee, and Holder's respective successors and
2 assigns, regardless of whether the Claim or Equity Interest of such Holder is Impaired under the
3 Plan and whether such Holder has accepted or rejected the Plan or is deemed to have accepted or
4 rejected the Plan.

5 B. *Compromise and Settlement of Claims and Controversies.*

6 Pursuant to Section 1123 and Bankruptcy Rule 9019 and in consideration for the
7 distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall
8 constitute a good faith compromise of all Claims, Equity Interests, and controversies relating to the
9 contractual, legal, and subordination rights that a Holder of a Claim or Equity Interest may have
10 with respect to any Allowed Claim or Equity Interest, or any distribution to be made on account of
11 such Allowed Claim or Equity Interest, and shall be deemed a motion to approve such good-faith
12 compromise. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval
13 of the compromise or settlement of all such Claims, Equity Interests, and controversies, as well as
14 a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of
15 Debtor, its Estate, and Holders of Claims and Equity Interests and is fair, equitable, and reasonable.
16 In accordance with the provisions of the Plan, without any further notice to or action, order, or
17 approval of the Bankruptcy Court, after the Effective Date, the Liquidating Trustee may
18 compromise and settle Claims against Debtor and its Estate and Causes of Action against other
19 Entities.

20 C. *Injunctions.*

21 The Confirmation Order shall enjoin the prosecution, whether directly, derivatively, or
22 otherwise, of any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action,
23 liability or interest released, or termination pursuant to this Plan. Except as provided in this Plan or
24 the Confirmation Order, all entities that have held, currently hold, or may hold a claim or other debt
25 or liability or an interest or other right of an equity security holder are permanently enjoined from
26 taking any of the following actions against Debtor, the Liquidating Trustee, or any of their property
27 on account of such discharged claims, debts or liabilities or extinguished interests or rights: (i)
28 commencing or continuing, in any manner or in any place, any action or other proceeding; (ii)

1 enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree or order;
2 (iii) creating, perfecting or enforcing any lien or encumbrance; (iv) asserting a setoff, right of
3 subrogation or recoupment of any kind against any debt, liability or obligation due to Debtor; and
4 (v) commencing or continuing any action in any manner, in any place, that does not comply with
5 or is inconsistent with the provisions of this Plan. By accepting a distribution pursuant to this Plan,
6 each holder of an allowed claim shall be deemed to have specifically consented to the injunctions
7 set forth in this Section. For the avoidance of doubt, nothing in this subsection shall impact any
8 priority dispute pending between any other Creditors in this Court or any court of competent
9 jurisdiction.

10 D. *Exculpation.*

11 Except as otherwise specifically provided for in this Plan, no Exculpated Party shall have
12 or incur any liability for, and each Exculpated Party is hereby exculpated from, any cause of action
13 for any claim related to any act or omission from the Petition Date to the Effective Date in
14 connection with, relating to, or arising out of, Debtor's Chapter 11 Case, in whole or in part, the
15 formulation, preparation, dissemination, and negotiation of this Plan, the Disclosure Statement, any
16 contract, instrument, release, or other agreement or document created or entered into in connection
17 with this Plan, the Disclosure Statement, the filing of this Chapter 11 case, the pursuit of Plan
18 confirmation, the administration and implementation of this Plan, or distribution of payments made
19 under this Plan or any related act, except for claims or causes of action arising from an act or
20 omission that is judicially determined in a final non-appealable order to have constituted actual
21 fraud, willful misconduct, or gross negligence, but in all respects, such Exculpated Parties shall be
22 entitled to the fullest extent permitted by law to reasonably rely upon the advice of counsel with
23 respect to their duties and responsibilities. The Exculpated Parties have, and upon the
24 consummation of this Plan shall be deemed to have, participated in good faith and in compliance
25 with the applicable laws with regard to the solicitation of, and distribution of, consideration
26 pursuant to this Plan and therefore, are not, and on account of such distributions shall not be, liable
27 at any time for the violation of any applicable law, rule, or regulation governing the solicitation of
28 acceptances or rejections of this Plan or such distributions made pursuant to this Plan. For the

avoidance of doubt, nothing in this subsection shall impact any priority dispute pending between any other Creditors in this Court or any court of competent jurisdiction and nothing in this section shall prevent any party in interest from objecting to any Intercompany Loan Claim.

E. *Setoffs and Recoupment*

(1) Except as otherwise provided herein, the Liquidating Trustee, pursuant to the Bankruptcy Code, applicable bankruptcy or non-bankruptcy Law, or as may be agreed to by the Holder of an Allowed Claim, may set off or recoup against any Allowed Claim and the distributions to be made pursuant to the Plan on account of such Allowed Claim, any Claims, rights, and Causes of Action of any nature that the applicable Debtor or the Liquidating Trustee may hold against such Holder, to the extent such Claims, rights, or Causes of Action have not been otherwise compromised or settled on or prior to the Effective Date (whether pursuant to the Plan, a Final Order, or otherwise); *provided, however*, that neither the failure to effect such a setoff or recoupment nor the allowance of any Claim pursuant to the Plan shall constitute a waiver or release by the Liquidating Trustee with respect to such Claims, rights, and Causes of Action.

(2) In no event shall any Holder of Claims be entitled to set off or recoup any Claim against any Claim, right, or Cause of Action of a Debtor or the Liquidating Trustee, as applicable, unless such Holder has timely and properly filed a Proof of Claim preserving such setoff or recoupment in such Proof of Claim.

F. *Retention of Causes of Action; Reservation of Rights.*

Except as otherwise provided in this Article IX, nothing contained in the Plan or the Confirmation Order shall be deemed to be a waiver or relinquishment of any rights, Claims, Causes of Action, rights of setoff or recoupment, or other legal or equitable defenses that Debtor had immediately prior to the Effective Date on behalf of the Estate or itself in accordance with any provision of the Bankruptcy Code or any applicable non-bankruptcy law, including, without limitation, any affirmative Causes of Action against parties with a relationship with Debtor including actions arising under Chapter 5 of the Bankruptcy Code. Except as provided in any order entered by the Bankruptcy Court, the Liquidating Trustee shall have, retain, reserve, and be entitled to assert all such Claims, Causes of Action, rights of setoff or recoupment, and other legal or

equitable defenses as fully as if the Chapter 11 Case had not been commenced, and all of Debtor's legal and equitable rights in respect of any Unimpaired Claim may be asserted after the Confirmation Date and Effective Date to the same extent as if the Chapter 11 Case had not been commenced..

G. *Release of Liens*

Except as otherwise provided herein or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any unencumbered property of the Estate shall be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Liquidating Trustee and its successors and assigns. For the avoidance of doubt, nothing in this subsection shall impact any priority dispute pending between any other Creditors in this Court or any court of competent jurisdiction and any distributions on account of such Disputed Claims shall be made as set forth in Article VI(B).

X RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain ~~exclusive~~ jurisdiction over all matters arising out of, or related to, the Liquidating Trust, Chapter 11 Case and the Plan pursuant to Sections 105(a) and 1142, including jurisdiction to:

(1) Allow, disallow, determine, liquidate, classify, estimate, or establish the priority, nature, validity, amount, or secured or unsecured status of any Claim or Equity Interest, including the resolution of any request for payment and any and all objections to the allowance, classification, priority or amount of Claims or Equity Interests;

(2) Decide and resolve all matters related to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;

(3) Resolve any matters related to: (i) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease and to hear, determine, and, if necessary, liquidate, any Cure Costs arising therefrom; (ii) any potential obligation under any Executory Contract or Unexpired Lease that is assumed; (iii) Debtor's or the Liquidating Trustee's amendment, modification, or supplement after the Effective Date, pursuant to Article V of this Plan, of the lists of Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (iv) any dispute regarding whether a contract or lease is or was executory or expired;

(4) Ensure that distributions to Holders of Allowed Claims are carried out pursuant to the provisions of the Plan;

(5) Adjudicate, decide, or resolve any motions, adversary proceedings, any other matters, and any applications involving a Debtor, that may be pending on the Effective Date;

(6) Adjudicate, decide or resolve any and all matters related to Causes of Action;

(7) Adjudicate, decide or resolve any and all matters related to Section 1141 of the Bankruptcy Code;

(8) Resolve any and all avoidance or recovery actions under Sections 105, 502(d), 542 through 551 and 553 of the Bankruptcy Code;

(9) Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the interpretation or enforcement of the Plan or Confirmation Order or any Entity's obligations incurred in connection with the Plan or Confirmation Order, including disputes arising under or in connection with any agreements, documents, or instruments executed in connection with the Plan, Plan Supplement, or Confirmation Order;

(10) Enter and implement such orders as may be necessary or appropriate to execute, implement, or Consummate the provisions of the Plan or Confirmation Order and all contracts, instruments, indentures, and other agreements or documents created in connection with this Plan or the Confirmation Order;

(11) Enter and enforce any order for the sale of property pursuant to Sections 363, 1123, or 1146(a) of the Bankruptcy Code;

(12) Adjudicate, decide, or resolve matters concerning state, local, and federal taxes in accordance with Sections 346, 505, and 1146 of the Bankruptcy Code;

(13) Grant any consensual request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to Section 365(d)(4) of the Bankruptcy Code;

(14) Enforce the injunction and exculpation provisions of the Plan, and issue injunctions, enter and implement orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with enforcement of the Plan;

(15) Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the injunctions and other provisions contained in the Plan and enter such orders as may be necessary or appropriate to implement such injunctions and other provisions;

(16) Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim or Equity Interest for amounts not timely repaid;

(17) Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

(18) Determine any other matters that may arise in connection with or relate to this Plan, the Confirmation Order, or any contract, instrument, indenture, or other agreement or document created in connection therewith;

(19) Enter an order or final decree concluding or closing the Chapter 11 Case;

(20) Adjudicate any and all disputes arising from or relating to distributions under the Plan;

(21) Consider any modifications of this Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

(22) Hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with the Plan;

(23) Hear and determine all disputes involving the existence, nature, or scope of Debtor's discharge, including any dispute relating to any liability arising out of the termination of

1 employment or the termination of any employee or retiree benefit program, regardless of whether
2 such termination occurred prior to or after the Effective Date;

3 (24) Enforce all orders previously entered by the Bankruptcy Court; and

4 (25) Hear any other matter not inconsistent with the Bankruptcy Code.

5 **XI MISCELLANEOUS PROVISIONS**

6 A. *Immediate Binding Effect.*

7 Notwithstanding the Bankruptcy Rules, upon the occurrence of the Effective Date, the terms
8 of the Plan shall be immediately effective and enforceable and deemed binding upon Debtor, the
9 Liquidating Trustee, and any and all Holders of Claims and Equity Interests (irrespective of whether
10 Holders of such Claims or Equity Interests are deemed to have accepted the Plan), all Entities that
11 are parties to or are subject to the settlements, compromises, and injunctions described in the Plan,
12 each Entity acquiring property under the Plan, and any and all non-Debtor parties to Executory
13 Contracts and Unexpired Leases. The Confirmation Order shall contain a waiver of any stay of
14 enforcement otherwise applicable, including pursuant to Bankruptcy Rule 3020(e) and 7062.

15 B. *Amendments.*

16 (1) *Plan Modifications.* Subject to the limitations contained in this Plan, and in
17 accordance with the Bankruptcy Code and the Bankruptcy Rules: (i) Debtor reserves the right, to
18 amend or modify this Plan, including amendments or modifications to satisfy Section 1129(ba) of
19 the Bankruptcy Code; and (ii) after the entry of the Confirmation Order, Debtor or the Liquidating
20 Trustee, as applicable, may, upon order of the Bankruptcy Court, amend or modify this Plan, in
21 accordance with Section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or
22 reconcile any inconsistency in this Plan in such manner as may be necessary to carry out the purpose
23 and intent of this Plan.

24 (2) *Effect of Confirmation on Modifications.* Upon entry of the Confirmation Order, all
25 modifications or amendments to the Plan occurring on or after the solicitation thereof shall be
26 deemed approved pursuant to Section 1127(a) of the Bankruptcy Code and shall not require
27 additional disclosure or re-solicitation under Bankruptcy Rule 3019.
28

1 (3) *Technical Amendments.* Prior to the Effective Date, Debtor may make technical
2 adjustments and modifications to the Plan that do not adversely affect the treatment of Holders of
3 Claims or Equity Interests thereunder, without further order or approval of the Bankruptcy Court.

4 C. *Governing Law.*

5 Except to the extent that the Bankruptcy Code, the Bankruptcy Rules or other federal Law,
6 rule, or regulation is applicable, or to the extent that an exhibit, supplement, or other document
7 related to the Plan provides otherwise, the Plan shall be governed and construed in accordance with
8 the Laws of the State of California, without giving effect to the principles of conflict of Laws
9 thereof. Corporate governance matters shall be governed by the laws of the applicable state of
10 incorporation, formation, or functional equivalent thereof, as applicable.

11 D. *Successors and Assigns.*

12 The rights, benefits, and obligations of any Entity named or referred to in the Plan shall be
13 binding on and shall inure to the benefit of any heir, executor, administrator, successor, Affiliate,
14 assign, officer, director, agent, representative, attorney, beneficiaries, or guardian, if any, of each
15 such Entity.

16 E. *Severability.*

17 If, prior to the entry of the Confirmation Order, the Bankruptcy Court determines that any
18 term or provision of the Plan is invalid, void, or unenforceable, the Bankruptcy Court, at the request
19 of Debtor, shall have the power to alter and interpret such term or provision to render it valid or
20 enforceable to the maximum extent practicable, consistent with the original purpose of the term or
21 provision held to be invalid, void, or unenforceable, which term shall thereafter apply as so altered
22 or interpreted. Notwithstanding the forgoing, the remaining terms and provisions of the Plan shall
23 remain in full force and effect and shall in no way be affected, impaired, or invalidated by such
24 holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial
25 determination and shall provide that each term and provision of the Plan, as it may have been altered
26 or interpreted in accordance with the foregoing, is (a) valid and enforceable pursuant to its terms,
27 (b) integral to the Plan and may not be deleted or modified, and (c) non-severable and mutually
28 dependent.

1 F. *Controlling Document.*

2 In the event of a conflict between the Plan and the Plan Supplement, the terms of the relevant
3 document in the Plan Supplement shall control (unless stated otherwise in such Plan Supplement
4 document or in the Confirmation Order). In the event of a conflict between the Plan and the
5 Disclosure Statement, the terms of this Plan shall control.

6 The provisions of this Plan and of the Confirmation Order shall be construed in a manner
7 consistent with each other so as to effect the purposes of each; *provided, however*, that in the event
8 of any inconsistency or conflict between the Plan and the Confirmation Order that cannot be so
9 construed, then, solely to the extent necessary, the applicable provisions of the Confirmation Order
10 shall control and any such provision of the Confirmation Order shall be deemed a modification of
11 the Plan.

12 G. *Filing of Additional Documents.*

13 On or before the Effective Date, Debtor may file with the Bankruptcy Court such
14 agreements and other documents as may be necessary or appropriate to effectuate and further
15 evidence the terms and conditions of the Plan. Debtor or the Liquidating Trustee, as applicable, and
16 all Holders of Claims or Equity Interests receiving distributions pursuant to the Plan and all other
17 parties in interest shall, from time to time, prepare, execute, and deliver any agreements or
18 documents and take any other actions as may be necessary or advisable to effectuate the provisions
19 and intent of the Plan or the Confirmation Order.

20 H. *Reservation of Rights.*

21 The Plan shall have no force or effect unless and until the Bankruptcy Court enters the
22 Confirmation Order. The Plan, Disclosure Statement, and Plan Supplement, or anything contained
23 therein, or any action Debtor takes with respect thereto, shall be deemed to be an admission or
24 waiver of any rights of Debtor with respect to the Holders of Claims or Equity Interests prior to the
25 Effective Date.

26 I. *Service of Documents.*

27 After the Effective Date, any pleading, notice or other document required by the Plan to be
28 served on or delivered to the Liquidating Trustee shall also be served on:

1 Bradley Sharp
2 333 South Grand Ave. Ste. 4100
3 Los Angeles, CA 90071

4 With copies to:
5 Bryan Cave Leighton Paisner, LLP
6 Sharon Z. Weiss
7 120 Broadway, Ste. 300
8 Santa Monica, CA 90401

9 After the Effective Date, the Liquidating Trustee has authority to provide notice to Parties
10 in Interest that in order to continue to receive documents pursuant to Bankruptcy Rule 2002, they
11 must file a renewed request to receive documents. After the Effective Date, the Liquidating Trustee
12 is authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to
13 those Entities who have filed such requests.

14 J. *Section 1125(e) of the Bankruptcy Code.*

15 As of the Confirmation Date: (a) Debtor shall be deemed to have solicited acceptances of
16 the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code
17 and any applicable non-bankruptcy Law, rule, or regulation governing the adequacy of disclosure
18 in connection with such solicitation; and (b) Debtor, and its agents, directors, officers, employees,
19 advisors, and attorneys shall be deemed to have participated in good faith, and in compliance with
20 the applicable provisions of the Bankruptcy Code, in the offer and issuance of any securities under
21 the Plan, and, therefore, are not, and on account of such offer, issuance, and solicitation shall not
22 be, liable at any time for any violation of any applicable Law, rule, or regulation governing the
23 solicitation of acceptances or rejections of the Plan.

24 K. *Tax Reporting and Compliance.*

25 Debtor shall be authorized to request an expedited determination under Section 505(b) for
26 all tax returns filed for, or on behalf of, Debtor for any and all taxable periods ending after the
27 Petition Date through, and including, the dissolution of Debtor.

28 L. *Exhibits, Schedules and Supplements.*

All exhibits, schedules, and supplements to this Plan are incorporated into and made a part
of Plan as if fully set forth herein. To the extent any exhibit, schedule, or supplement is inconsistent

1 with the terms of this Plan and unless otherwise provided for in the Confirmation Order, the terms
2 of such exhibit, schedule, or supplement shall control as to the transactions contemplated thereby
3 and the terms of this Plan shall control as to any Plan provision as may be required under such
4 exhibit, schedule, or supplement.

5 M. *Entire Agreement.*

6 Except as otherwise set forth herein, on the Effective Date the Plan shall supersede all
7 previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and
8 representations on such subjects, all of which have become merged and integrated into the Plan.

9 N. *Allocation of Payments.*

10 To the extent that any Allowed Claim entitled to distribution hereunder is comprised of
11 indebtedness and accrued but unpaid interest thereon, such distribution shall, for all U.S. federal
12 income tax purposes, be allocated to the principal amount of such Claim first, and then, to the extent
13 that the consideration exceeds such principal amount, to the portion of such Claim representing
14 accrued but unpaid interest (but solely to the extent that interest is an allowable portion of such
15 Allowed Claim).

16
17 Dated: September 4, 2024

Respectfully submitted,

18 BRYAN CAVE LEIGHTON PAISNER LLP

19 By: /s/ Sharon Z. Weiss
20 Sharon Z. Weiss
Attorneys for Debtor-in-Possession
21
22
23
24
25
26
27
28

Summary report: Litera Compare for Word 11.7.0.54 Document comparison done on 9/4/2024 11:00:40 PM	
Style name: Firm	
Intelligent Table Comparison: Active	
Original filename: 2024-08-19 Oceanwide Liquidating Plan.docx	
Modified filename: 2024-09-04 Oceanwide Second Liquidating Plan.docx	
Changes:	
<u>Add</u>	242
Delete	224
Move From	39
<u>Move To</u>	39
<u>Table Insert</u>	1
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	545

EXHIBIT C

BRYAN CAVE LEIGHTON PAISNER LLP

Sharon Z. Weiss (State Bar No.: 169446)

sharon.weiss@bclplaw.com

120 Broadway, Suite 300

Santa Monica, CA 90401-2386

Telephone: (310) 576-2100

Facsimile: (310) 576-2200

Jarret P. Hitchings (*Pro Hac Vice*)

jarret.hitchings@bclplaw.com

One Wells Fargo Center

301 S. College Street, Suite 2150

Charlotte, NC 28202

Telephone (704) 749-8999

Facsimile: (704) 749-8990

Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re:

Oceanwide Plaza LLC,

Debtor.

Case No.: 2:24-bk-11057-DS

Hon. Deborah J. Saltzman

Chapter 11 Case

**ORDER GRANTING DEBTOR'S
MOTION FOR ORDER: (1)
APPROVING DISCLOSURE
STATEMENT DESCRIBING DEBTOR'S
SECOND AMENDED LIQUIDATING
PLAN OF REORGANIZATION (DATED
SEPTEMBER 4, 2024); (2)
ESTABLISHING VOTING, PLAN
CONFIRMATION, AND OTHER
PROCEDURES; (3) SCHEDULING
PLAN CONFIRMATION HEARING
AND SETTING OTHER RELATED
DATES AND DEADLINES; AND (4)
PROVIDING OTHER ANCILLARY AND
RELATED RELIEF**

Hearing:

Date: September 5, 2024

Time: 1:00 p.m.

Place: Courtroom 1639

255 E. Temple St.

Los Angeles, CA 90012

1 The *Motion for Order: (1) Approving Disclosure Statement Describing Debtor's*
2 *Liquidating Plan of Reorganization (Dated July 10, 2024); (2) Establishing Voting, Plan*
3 *Confirmation, and Other Procedures; (3) Scheduling Plan Confirmation Hearing and Setting Other*
4 *Related Dates and Deadlines; and (4) Providing Other Ancillary and Related Relief* (the "Motion"),
5 filed by Oceanwide Plaza LLC (the "Debtor"), came on for hearing on August 21, 2024, at 1:00
6 p.m., before the Honorable Deborah J. Saltzman, United States Bankruptcy Judge. Appearances
7 were as noted on the record at the hearing.

8 This Court having considered the Motion, all papers and documents submitted in support of
9 the Motion, the *Second Amended Disclosure Statement Describing Debtor's Liquidating Plan of*
10 *Reorganization (Dated September 4, 2024)* (the "Disclosure Statement"), the Debtor's *Second*
11 *Amended Liquidating Plan of Reorganization (Dated September 4, 2024)* (the "Plan"), all other
12 papers filed in support of, in response to, or otherwise in connection with, the Motion, the
13 Disclosure Statement, and the Plan, the record in this bankruptcy case, arguments, statements, and
14 representations of counsel on the record at the hearing; and finding that the notice of the hearing to
15 consider the adequacy of the Disclosure Statement and notice of the hearing on the Motion was
16 sufficient and timely and properly served on all necessary parties; and the Court finding that the
17 Disclosure Statement contains adequate information within the meaning of 11 U.S.C. § 1125; and
18 the Court further finding that the confirmation, voting, tabulation, and other procedures proposed
19 in the Motion, the form of notice of the confirmation hearing and related matters attached as Exhibit
20 "2" to the Motion, the form of Ballot attached as Exhibit "3" to the Motion, and the proposed
21 schedule, dates, deadlines, and other relief proposed and requested in the Motion are fair, reasonable,
22 and appropriate, authorized by the applicable provisions of the Bankruptcy Code, the Federal Rules
23 of Bankruptcy Procedure, and the Local Bankruptcy Rules, and in the best interests of the Debtor's
24 estate; and good cause appearing therefor,

25 **It is hereby ORDERED as follows:**

- 26 1. The Motion is GRANTED as set forth herein.
 - 27 2. The Disclosure Statement is approved.
- 28

1 3. The form of Confirmation Hearing Notice (as defined in the Motion), which form
2 is attached as Exhibit “2” to the Motion, is approved.

3 4. The form of Ballot (as defined in the Motion), which form is attached as Exhibit “3”
4 to the Motion, is approved.

5 5. The Voting and Tabulation Procedures (as set forth in Exhibit 2) are approved.

6 6. The Debtor is are authorized to, and by no later than September 10, 2024, shall serve,
7 by regular mail or e-mail, a plan solicitation package (the “Solicitation Package”) on all creditors,
8 interest holders, the United States Trustee, and other parties in interest, which package shall include:
9 (a) the Confirmation Hearing Notice; (b) Ballot (to the extent the receiving party is entitled to vote
10 on the Plan); (c) the Disclosure Statement; (d) the Plan; and (e) any other related materials or
11 materials as the Court may direct or authorize. The Debtor may transmit the Solicitation Package
12 by regular mail or e-mail. The Debtor’s inclusion of a Ballot in the Solicitation Package shall not be
13 construed as an admission by the Debtor that the party receiving such Solicitation Package is entitled
14 to vote on the Plan. The Debtor is authorized to make any non-substantive/non-material changes to
15 the Disclosure Statement and Plan, and related exhibits and documents, without further order of the
16 Court, including ministerial changes to correct typographical and grammatical errors and to make
17 conforming changes among the Disclosure Statement and Plan and any other materials in the
18 Solicitation Package prior to mailing.

19 7. The following additional dates, deadlines, and procedures shall apply:

20 a. September 10, 2024 is the last date by which the Debtor must file and serve
21 its motion to confirm the Plan, which shall include a memorandum of points and authorities and all
22 evidence in support of confirmation of the Plan, including witness declarations on direct testimony
23 and related exhibits (the “Plan Confirmation Motion”). The Plan Confirmation Motion need only
24 be served on ECF-registered parties, parties who filed an objection to the Disclosure Statement,
25 the United States Trustee, and parties who requested special notice.

26 b. October 8, 2024 (the “Voting Deadline”), is the last date by which ballots
27 accepting or rejecting the Plan must be received by counsel for the Debtor. Ballots must be
28 delivered in one of the following manners so that the Ballot is received by Debtor’s Solicitation

Agent by mail at Oceanwide Plaza LLC Ballot Processing c/o Stretto 410 Exchange, Suite 100, Irvine CA 92602 or electronically under the “File a Ballot” tab at <https://cases.stretto.com/OceanwidePlaza/>. A claimant in an impaired class who fails to timely submit a Ballot shall be deemed to have accepted the proposed treatment of its claim under the Plan.

c. A Claim shall be deemed Allowed solely for purposes of voting on the Plan unless (a) such Claim is scheduled as disputed, contingent or unliquidated and no proof of claim has been timely filed or (b) there is an objection with respect to such claim at least fourteen (14) days prior to the Voting Deadline. Such objection will be heard by the Court at least [DATE] days prior to the Voting Deadline.

d. The Plan Supplement shall be filed on or before September 25, 2024.

e. October 11, 2024, is the last date by which the Debtor must file a Ballot summary, which shall include a tabulation of Ballots received.

f. October 2, 2024 (the “Objection Deadline”), is the last date by which any party objecting to confirmation of the Plan must file and serve its objection and evidence in support thereof. Any objection to confirmation of the Plan must:

i. be in writing;

ii. be accompanied by a memorandum of points and authorities;

iii. set forth in detail the name and address of the party filing the objection, the grounds for the objection, and any evidentiary support for the objection in the nature of declarations submitted under penalty of perjury; and

iv. be served on the Debtor, its counsel, and the United States Trustee.

e. October 9, 2024 is the last date by which the Debtor must file any reply memorandum and supporting declarations and evidence in support of confirmation of the Plan.

f. Any objection or opposition to confirmation of the Plan must be submitted by the Objection Deadline. The failure to file and serve a timely objection to the Plan by the Objection Deadline may be deemed by the Court to be consent to the Motion.

1 g. The hearing on the confirmation of the Plan shall be held on October 16, 2024,
2 at 10:00 a.m. (the "Confirmation Hearing"), before the Honorable Deborah J. Saltzman, United
3 States Bankruptcy Judge. The Confirmation Hearing may be continued by announcement in open
4 court without further notice to creditors or parties in interest.

5 h. Unless otherwise ordered by the Court, in the event of a contested Plan Confirmation
6 Hearing: (i) all declarants must appear, without need for subpoena, at the Confirmation Hearing to
7 be available for cross-examination; and (ii) the testimony of any declarant who is not present for
8 cross-examination at the Confirmation Hearing will be stricken from the record and will not be
9 considered in determining contested matters at the Confirmation Hearing.

10 ###

BRYAN CAVE LEIGHTON PAISNER LLP

Sharon Z. Weiss (State Bar No.: 169446)

sharon.weiss@bclplaw.com

120 Broadway, Suite 300

Santa Monica, CA 90401-2386

Telephone: (310) 576-2100

Facsimile: (310) 576-2200

Jarret P. Hitchings (*Pro Hac Vice*)

jarret.hitchings@bclplaw.com

One Wells Fargo Center

301 S. College Street, Suite 2150

Charlotte, NC 28202

Telephone (704) 749-8999

Facsimile: (704) 749-8990

Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re:

Oceanwide Plaza LLC,

Debtor.

Case No.: 2:24-bk-11057-DS

Hon. Deborah J. Saltzman

Chapter 11 Case

**NOTICE OF: (1) APPROVAL OF
SECOND AMENDED DISCLOSURE
STATEMENT DESCRIBING DEBTOR'S
SECOND AMENDED LIQUIDATING
PLAN OF REORGANIZATION (DATED
SEPTEMBER 4, 2024); (2) HEARING ON
CONFIRMATION OF PLAN OF
REORGANIZATION AND RELATED
DATES AND DEADLINES; AND (3)
PROCEDURES AND REQUIREMENTS
RELATING TO VOTING ON PLAN OF
REORGANIZATION**

Confirmation Hearing

Hearing:

Date: October 16, 2024

Time: 10:00 a.m.

Place: Courtroom 1639

255 E. Temple St.

Los Angeles, CA 90012

**TO CREDITORS, EQUITY INTEREST HOLDERS, THE UNITED STATES TRUSTEE,
AND ALL OTHER PARTIES IN INTEREST:**

PLEASE TAKE NOTICE that, following a hearing before the Honorable Deborah J. Saltzman, United States Bankruptcy Judge, in the above-referenced case of Oceanwide Plaza LLC (the “Debtor”), the Court approved the *Second Amended Disclosure Statement Describing Debtor’s Second Amended Liquidating Plan of Reorganization (Dated September 4, 2024)* (the “Disclosure Statement”), the *Debtor’s Second Amended Liquidating Plan of Reorganization (Dated September 4, 2024)* (the “Plan”), to enable creditors, interest holders, and other parties in interest to make an informed judgment and decision regarding whether to accept or reject the Plan.

PLEASE TAKE FURTHER NOTICE that the Court approved for distribution to creditors, interest holders, and other parties in interest, the following materials, all of which are included in the package being transmitted to you with the present notice (collectively, the “Plan Solicitation Materials”):

- (1) this Notice (the “Plan Confirmation Notice”), which includes notice of: (a) approval of the Disclosure Statement; (b) the hearing on confirmation of the Plan and related dates and deadlines; and (c) the Court-approved procedures and requirements relating to voting to accept or reject the Plan and tabulation of Plan ballots (the “Voting and Tabulation Procedures”);
- (2) the Disclosure Statement;
- (3) the Plan; and
- (4) the ballot for creditors to use to vote to accept or reject the Plan (“Ballot”).

PLEASE TAKE FURTHER NOTICE OF THE FOLLOWING:

DISTRIBUTION OF PLAN SOLICITATION MATERIALS

1. The Court has approved the adequacy of the Disclosure Statement as containing “adequate information” within the meaning of 11 U.S.C. § 1125, and has authorized transmittal of the Disclosure Statement, the Plan, and the other Plan Solicitation Materials (itemized above).
2. If you received the Plan Solicitation Materials, the Debtor believes that, either: (i) you are a creditor or equity security holder of the Debtor; or (ii) you are a party in interest entitled to receive the Plan Solicitation Materials.

3. You may obtain, at no expense to you, additional copies of the Plan Solicitation Materials by sending a written request to:

Sharon Z. Weiss, Esq.
120 Broadway, Suite 300
Santa Monica, CA 90401-2386
sharon.weiss@bclplaw.com

Jarret P. Hitchings, Esq.
301 South College Street, Suite 2150
Charlotte, North Carolina 28202
jarret.hitchings@bclplaw.com

Copies of the Plan Solicitation Materials are also available (a) for a fee via PACER at <http://www.cacb.uscourts.gov>; or (b) at no charge from Stretto, Inc. (the “Solicitation Agent”) by: (i) accessing the Debtor’s restructuring website at

<https://cases.stretto.com/OceanwidePlaza/>

(ii) writing to Oceanwide Plaza LLC Ballot Processing, c/o Stretto, 410 Exchange, Suite 100 Irvine, CA 92602; (iii) emailing TeamOceanwidePlaza@stretto.com; or (iv) calling the Solicitation Agent at:

U.S. Toll Free: 888-808-1469

International: 949-358-6856

The manner in which the Debtor may transmit any additional copies of the Plan Solicitation Materials requested is within the Debtor’s sole discretion.

VOTING AND TABULATION PROCEDURES

The Court has approved the following procedures and requirements for voting on the Plan:

1. The deadline to vote on the Plan is October 8, 2024 (the “Voting Deadline”). This means you must return your completed Ballot so that the Debtor, receives it by the Voting Deadline, by submitting the Ballot to the Solicitation Agent by mail at

Oceanwide Plaza LLC Ballot Processing
c/o Stretto
410 Exchange, Suite 100
Irvine, CA 92602

or electronically under the “File a Ballot” tab at

<https://cases.stretto.com/OceanwidePlaza/>

2. The fact that you received a Ballot with these Plan Solicitation Materials does not mean the Debtor believes you are entitled to vote on the Plan, and you should not construe your

1 receipt of a Ballot in that manner. Consult the Plan to determine whether or not you are entitled to
2 vote on the Plan.

3 3. Ballots must be delivered in one of the following manners so that the Ballot is
4 received by the Solicitation Agent by the Voting Deadline: (i) mail; (ii) overnight courier;; or (iii)
5 via the Solicitation Agent's website maintained for this case. A claimant in an impaired class who
6 fails to timely submit a Ballot shall be deemed to have accepted the proposed treatment of its claim
7 under the Plan.

8 4. Solely for the purposes of voting on the Plan and tabulating acceptance or rejection
9 of the Plan, the amount of the claim for each voting party will be treated as allowed in an amount
10 equal to the greater of: (i) the amount of such claim as set forth in the Debtor's schedules, or (ii) the
11 amount of such claim as set forth in a timely filed proof of claim to which no objection has been
12 filed, or if an objection has been filed, then in the amount of any order entered allowing the holder
13 of such claim to vote, as of the date the Plan Solicitation Materials are transmitted to creditors, except
14 that each holder of a claim shall be entitled to vote all of the non-duplicative claims it holds, but may
15 only vote a single ballot as to all claims within a particular class.

16 5. Any Ballot that is illegible or contains insufficient information to permit the
17 identification of the holder of the claim voted shall not be counted.

18 6. Any Ballot cast by a person or entity that does not holds an Allowed Claim (as
19 defined in the Plan) shall not be counted. A Claim shall be deemed Allowed solely for purposes of
20 voting on the Plan if there is no objection filed with respect to such claim fourteen (14) days prior
21 to the Voting Deadline or the Claim is not otherwise scheduled as disputed, contingent, or
22 unliquidated. Debtor reserves the right to object to any claim deemed Allowed for purposes of
23 voting on the Plan pursuant to this Order. Such objection will be heard by the Court at least
24 [DATE] days prior to the Voting Deadline.

25 7. Any Ballot that is properly completed, executed, and timely returned to the Debtor
26 that does not indicate an acceptance or rejection of the Plan shall be counted as an acceptance of
27 the Plan.
28

1 8. Any Ballot that is properly completed, executed, and timely returned to the Debtor
2 that indicates both acceptance and rejection of the Plan shall be counted as an acceptance of the
3 Plan.

4 9. Any objection or opposition to confirmation of the Plan must be submitted by the
5 Objection Deadline. The failure to file and serve a timely objection to the Plan by the Objection
6 Deadline may be deemed by the Court to be consent to confirmation of the requested relief.
7 Whenever a holder in a voting class returns more than one Ballot voting the same claim by the Voting
8 Deadline, only the last Ballot timely returned to the Debtor shall be counted.

9 10. Each holder of a claim in a voting class shall be deemed to have voted the full
10 amount of its claim.

11 11. Holders of claims in a voting class shall not split their vote, but shall vote their entire
12 claim within a particular class either to accept or reject the Plan, and a Ballot (or a Ballot or multiple
13 Ballots with respect to multiple claims within a single class) that partially rejects and partially
14 accepts the Plan shall be counted as an acceptance of the Plan. For the avoidance of doubt, to the
15 extent that any portion of any secured claim is ultimately undersecured, by agreement or other
16 otherwise, such secured creditor may vote that portion of its unsecured claim separately.

17 12. For purposes of the numerosity requirement of section 1126(c) of the Bankruptcy
18 Code, separate claims held by a single creditor in a particular class will be aggregated as if such
19 creditor held one claim against the Debtor in such class, and the votes related to such claims will
20 be treated as a single vote to accept or reject the Plan.

21 13. Neither the Debtor nor any other person or entity will be under any duty to provide
22 notification of defects or irregularities with respect to delivered Ballots, nor will any of them incur
23 any liability for failure to provide such notification.

24 **HEARING ON CONFIRMATION OF THE PLAN AND RELATED DEADLINES**

25 The Court has approved the following schedule to consider confirmation of the Plan:

26 1. The hearing on the confirmation of the Plan shall be held on October 16, 2024, at
27 10:00 a.m. before the Honorable Deborah J. Saltzman, United States Bankruptcy Judge. The
28

1 Confirmation Hearing may be continued by announcement in open court without further notice to
2 creditors or parties in interest.

3 2. September 10, 2024, is the last date by which the Debtor must file and serve its
4 motion to confirm the Plan, which shall include a memorandum of points and authorities and all
5 evidence in support of confirmation of the Plan, including witness declarations on direct testimony
6 and related exhibits (the "Plan Confirmation Motion"). The Plan Confirmation Motion need only
7 be served on ECF-registered parties, parties who filed an objection to the Disclosure Statement, the
8 United States Trustee, and parties who requested special notice.

9 3. October 11, 2024, is the last date by which the Debtor must file a Ballot summary,
10 which shall include a tabulation of Ballots received.

11 4. October 2, 2024 (the "Objection Deadline"), is the last date by which any party
12 objecting to confirmation of the Plan must file and serve its objection and evidence in support
13 thereof. Any objection to confirmation of the Plan must:

- 14 a. be in writing;
- 15 b. be accompanied by a memorandum of points and authorities;
- 16 c. set forth in detail the name and address of the party filing the objection, the
17 grounds for the objection, and any evidentiary support for the objection in the nature of declarations
18 submitted under penalty of perjury; and
- 19 d. be served on the Debtor, its counsel, and the United States Trustee.

20 5. October 9, 2024 is the last date by which the Debtor must file any reply memorandum
21 and supporting declarations and evidence in support of confirmation of the Plan.

22 6. Any objection or opposition to confirmation of the Plan must be submitted by the
23 Objection Deadline. The failure to file and serve a timely objection to the Plan by the Objection
24 Deadline may be deemed by the Court to be consent to the Motion.

25 7. Unless otherwise ordered by the Court, in the event of a contested Plan Confirmation
26 Hearing: (i) all declarants must appear, without need for subpoena, at the Confirmation Hearing to
27 be available for cross-examination; and (ii) the testimony of any declarant who is not present for
28

1 cross-examination at the Confirmation Hearing will be stricken from the record and will not be
2 considered in determining contested matters at the Confirmation Hearing.

3 8. Confirmation Hearing: (a) all declarants must appear, without need for subpoena,
4 at the Confirmation Hearing to be available for cross-examination; and (b) the testimony of any
5 declarant who is not present for cross-examination at the Confirmation Hearing will be stricken
6 from the record and will not be considered in determining contested matters at the Confirmation
7 Hearing.

8
9 Dated:

BRYAN CAVE LEIGHTON PAISNER LLP

10 By: _____

11 Sharon Z. Weiss

12 Attorneys for Debtor and Debtor-in-Possession
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

In re:

Oceanwide Plaza LLC,

Debtor.

Case No.: 2:24-bk-11057-DS

Hon. Deborah J. Saltzman

Chapter 11 Case

PLAN BALLOT

**[Use For Voting on Debtor's Second
Amended Liquidating Plan of
Reorganization (Dated September 4, 2024)
(the "Plan")]**

Voting Deadline: October 8, 2024

CLASS ☐ BALLOT FOR HOLDERS OF [VOTING CLASS]

**PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS FOR
COMPLETING BALLOTS CAREFULLY *BEFORE* COMPLETING THIS BALLOT.**

**IN ORDER FOR YOUR VOTE TO BE COUNTED, THIS BALLOT
MUST BE COMPLETED, EXECUTED, AND RETURNED SO AS TO BE
*ACTUALLY RECEIVED***

**BY THE SOLICITATION AGENT BY OCTOBER 8, 2024,
(THE "VOTING DEADLINE") IN ACCORDANCE WITH THE FOLLOWING:**

You are receiving this Class ☐ ballot (this "Class ☐ Ballot" or "Ballot") because you are a Holder of a [Voting Class] (your "[Voting Class]") as of the date of this Order(the "Voting Record Date"). Accordingly, you have a right to vote to accept or reject the Plan.

Your rights are described in the Second Amended Disclosure Statement ("Disclosure Statement"), which was included in the package (the "Solicitation Package") you are receiving with this Class ☐ Ballot (as well as the Plan, Disclosure Statement Order, and certain other materials). If you received Solicitation Package materials in electronic format and desire paper copies, or if you need to obtain additional Solicitation Packages, you may obtain them (a) for a fee via PACER at <http://www.cacb.uscourts.gov>; or (b) at no charge from Stretto, Inc. (the "Solicitation Agent") by: (i) accessing the Debtor's restructuring website at <https://cases.stretto.com/OceanwidePlaza/>; (ii) writing to Oceanwide Plaza LLC Ballot Processing, c/o Stretto, 410 Exchange, Suite 100 Irvine, CA 92602; (iii) emailing TeamOceanwidePlaza@stretto.com; or (iv) calling the Solicitation Agent at:

U.S. Toll Free: 888-808-1469

International: 949-358-6856

1 This Class ☐ Ballot may not be used for any purpose other than for casting votes to accept or reject
2 the Plan and making certain certifications with respect to the Plan. If you believe you have received
3 this Class ☐ Ballot in error, or if you believe you have received the wrong Ballot, please contact
the Solicitation Agent ***immediately*** at the address, telephone number, or email address set forth
above.

4 You should review the Disclosure Statement, the Plan, and the instructions contained herein before
5 you vote. You may wish to seek legal advice concerning the Plan and the Plan's classification and
6 treatment of your Claim. Your [Voting Class] has been placed in Class ☐ under the Plan. If you
7 hold Claims or Interests in more than one Class, you will receive a Ballot or Notice of Non-Voting
Status, as applicable for each such Class. **PLEASE SUBMIT YOUR BALLOT BY ONE OF
THE FOLLOWING TWO METHODS:**

8 **Via Paper Ballot.** Complete, sign, and date this Ballot and return it (with an original
9 signature) promptly via first class mail (or in the enclosed reply envelope provided), overnight
courier, or hand delivery to:

Oceanwide Plaza LLC Ballot Processing
c/o Stretto
410 Exchange, Suite 100
Irvine, CA 92602

13 If you would like to coordinate hand delivery of your Ballot, please send an email to
14 TeamOceanwidePlaza@stretto.com and provide the anticipated date and time of your delivery.

15 ***OR***

16 **Via Balloting Portal.** Submit your Ballot via the Solicitation Agent's online portal, by visiting
17 <https://cases.stretto.com/OceanwidePlaza/> (the "**Balloting Portal**"). Click on the "File a
Ballot" section of the website and follow the instructions to submit your Ballot.

18 **IMPORTANT NOTE:** You will need the following information to retrieve and submit your
19 customized electronic Ballot:

20 **Unique Password:** _____

21 **The Solicitation Agent's Balloting Portal is the sole manner in which Ballots will be accepted**
22 **via electronic or online transmission. Ballots submitted by facsimile, email, or other means**
of electronic transmission will not be counted.

23 **Each Password is to be used solely for voting only those Claims described in Item 1 of your**
24 **electronic Ballot. Please complete and submit an electronic Ballot for each Password you**
receive, as applicable.

25 **Holders of Claims who cast a Ballot using the Balloting Portal should NOT also submit a**
26 **paper Ballot. In the event you submit a Ballot using the Balloting Portal and a paper Ballot,**
27 **the last properly executed Ballot timely received shall control.**

Item 1. Amount of Claim.

The undersigned hereby certifies that as of the Voting Record Date, the undersigned was the Holder of [Voting Class] in the following aggregate unpaid amount (insert amount in box below):

\$ _____

Item 2. Vote on Plan.

The Holder of the [Voting Class] set forth in Item 1 votes to (please check only one)

☐ **ACCEPT** (vote FOR) the Plan

☐ **REJECT** (vote AGAINST) the Plan

Item 3. Certifications.

By signing this Class [] Ballot, the undersigned certifies to the Bankruptcy Court and the Debtor that:

- (a) as of the Voting Record Date, either: (i) the Entity is the Holder of the [Voting Class] being voted; or (ii) the Entity is an authorized signatory for an Entity that is a Holder of the [Voting Class] being voted;
- (b) the Entity (or in the case of an authorized signatory, the Holder) has received the Solicitation Package and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
- (c) the Entity has cast the same vote with respect to all [Voting Class]; and
- (d) no other Class [] Ballots with respect to the amount of the [Voting Class] identified in Item 1 have been cast or, if any other Class [] Ballots have been cast with respect to such General Unsecured Claims, then any such earlier Class [] Ballots are hereby revoked.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Name of Holder:	_____
	(Print or Type)
Signature:	_____
Name of Signatory:	_____
	(If other than the Holder)
Title:	_____
Address:	_____

Telephone	
Number:	_____
Email:	_____
Date Completed:	_____

IF THE SOLICITATION AGENT DOES NOT *ACTUALLY RECEIVE* THIS BALLOT ON OR BEFORE OCTOBER 8, 2024, AT 4:00 P.M., PREVAILING PACIFIC TIME, (AND IF THE VOTING DEADLINE IS NOT EXTENDED), YOUR VOTE TRANSMITTED BY THIS BALLOT MAY BE COUNTED TOWARD CONFIRMATION OF THE PLAN ONLY IN THE DISCRETION OF THE DEBTOR.

EXHIBIT D

BRYAN CAVE LEIGHTON PAISNER LLP

Sharon Z. Weiss (State Bar No.: 169446)

sharon.weiss@bclplaw.com

120 Broadway, Suite 300

Santa Monica, CA 90401-2386

Telephone: (310) 576-2100

Facsimile: (310) 576-2200

Jarret P. Hitchings (*Pro Hac Vice*)

jarret.hitchings@bclplaw.com

One Wells Fargo Center

301 S. College Street, Suite 2150

Charlotte, NC 28202

Telephone (704) 749-8999

Facsimile: (704) 749-8990

Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re:

Oceanwide Plaza LLC,

Debtor.

Case No.: 2:24-bk-11057-DS

Hon. Deborah J. Saltzman

Chapter 11 Case

**ORDER GRANTING DEBTOR'S
MOTION FOR ORDER: (1)
APPROVING DISCLOSURE
STATEMENT DESCRIBING DEBTOR'S
SECOND AMENDED LIQUIDATING
PLAN OF REORGANIZATION (DATED
~~JULY 10~~ SEPTEMBER 4, 2024); (2)
ESTABLISHING VOTING, PLAN
CONFIRMATION, AND OTHER
PROCEDURES; (3) SCHEDULING
PLAN CONFIRMATION HEARING
AND SETTING OTHER RELATED
DATES AND DEADLINES; AND (4)
PROVIDING OTHER ANCILLARY AND
RELATED RELIEF**

Hearing:

Date: ~~August 21~~ September 5, 2024

Time: 1:00 p.m.

Place: Courtroom 1639

255 E. Temple St.

Los Angeles, CA 90012

The Motion for Order: (1) Approving Disclosure Statement Describing Debtor's Liquidating Plan of Reorganization (Dated July 10, 2024); (2) Establishing Voting, Plan Confirmation, and Other Procedures; (3) Scheduling Plan Confirmation Hearing and Setting Other Related Dates and Deadlines; and (4) Providing Other Ancillary and Related Relief (the "Motion"), filed by Oceanwide Plaza LLC (the "Debtor"), came on for hearing on August 21, 2024, at 1:00 p.m., before the Honorable Deborah J. Saltzman, United States Bankruptcy Judge. Appearances were as noted on the record at the hearing.

This Court having considered the Motion, all papers and documents submitted in support of the Motion, the Second Amended Disclosure Statement Describing Debtor's Liquidating Plan of Reorganization (Dated ~~July 10~~September 4, 2024) (the "Disclosure Statement"), the Debtor's Second Amended Liquidating Plan of Reorganization (Dated ~~July 10~~September 4, 2024) (the "Plan"), all other papers filed in support of, in response to, or otherwise in connection with, the Motion, the Disclosure Statement, and the Plan, the record in this bankruptcy case, arguments, statements, and representations of counsel on the record at the hearing; and finding that the notice of the hearing to consider the adequacy of the Disclosure Statement and notice of the hearing on the Motion was sufficient and timely and properly served on all necessary parties; and the Court finding that the Disclosure Statement contains adequate information ~~within~~in the meaning of 11 U.S.C. § 1125; and the Court further finding that the confirmation, voting, tabulation, and other procedures proposed in the Motion, the form of notice of the confirmation hearing and related matters attached as Exhibit "2" to the Motion, the form of Ballot attached as Exhibit "3" to the Motion, and the proposed schedule, dates, deadlines, and other relief proposed and requested in the Motion are fair, reasonable, and appropriate, authorized by the applicable provisions of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and the Local Bankruptcy Rules, and in the best interests of the Debtor's estate; and good cause appearing therefor,

It is hereby ORDERED as follows:

1. The Motion is GRANTED ~~in its entirety~~as set forth herein.
2. The Disclosure Statement is approved.

1 3. The form of Confirmation Hearing Notice (as defined in the Motion), which form
2 is attached as Exhibit “2” to the Motion, is approved.

3 4. The form of Ballot (as defined in the Motion), which form is attached as Exhibit “3”
4 to the Motion, is approved.

5 5. The Voting and Tabulation Procedures (as ~~defined~~set forth in the Motion Exhibit 2)
6 are approved.

7 6. The Debtor is are authorized to, and by no later than ~~August 26~~September 10, 2024,
8 shall serve, by regular mail or e-mail, a plan solicitation package (the “Solicitation Package”) on all
9 creditors, interest holders, the United States Trustee, and other parties in interest, which package
10 shall include: (a) the Confirmation Hearing Notice; (b) Ballot (to the extent the receiving party is
11 entitled to vote on the Plan); (c) the Disclosure Statement; (d) the Plan; and (e) any other related
12 materials or materials as the Court may direct or authorize. The Debtor may transmit the Solicitation
13 Package by regular mail or e-mail. The Debtor’s inclusion of a Ballot in the Solicitation Package
14 shall not be construed as an admission by the Debtor that the party receiving such Solicitation
15 Package is entitled to vote on the Plan. The Debtor is authorized to make any non-substantive/non-
16 material changes to the Disclosure Statement and Plan, and related exhibits and documents, without
17 further order of the Court, including ministerial changes to correct typographical and grammatical
18 errors and to make conforming changes among the Disclosure Statement and Plan and any other
19 materials in the Solicitation Package prior to mailing.

20 7. The following additional dates, deadlines, and procedures shall apply:

21 ~~a. July 26, 2024 is the last day for the Debtor to supplement the Disclosure~~
22 ~~Statement, if necessary, to provide (i) an update to all interested parties regarding the designation~~
23 ~~and Court approval of a stalking horse bidder for the sale of the Debtor’s property, if any, the~~
24 ~~approval of which is scheduled for hearing on July 23, 2024 at 3:00 p.m. (PT) and (ii) an estimated~~
25 ~~distribution to creditors based on the purchase price for the stalking horse bidder.~~

26 a. ~~b. August 30~~September 10, 2024 is the last date by which the Debtor must
27 file and serve its motion to confirm the Plan, which shall include a memorandum of points and
28 authorities and all evidence in support of confirmation of the Plan, including witness declarations

on direct testimony and related exhibits (the “Plan Confirmation Motion”). The Plan Confirmation Motion need only be served on ECF-registered parties, parties who filed an objection to the Disclosure Statement, the United States Trustee, and parties who requested special notice.

b. ~~e. September 23~~October 8, 2024 (the “Voting Deadline”), is the last date by which ballots accepting or rejecting the Plan must be received by counsel for the Debtor. Ballots must be delivered in one of the following manners so that the Ballot is received by ~~the Debtor’s~~ ~~counsel by the Voting Deadline: (i) mail; (ii) overnight courier; (iii) hand delivery; or (iv) email~~ Debtor’s Solicitation Agent by mail at Oceanwide Plaza LLC Ballot Processing c/o Stretto 410 Exchange, Suite 100, Irvine CA 92602 or electronically under the “File a Ballot” tab at <https://cases.stretto.com/OceanwidePlaza/>. A claimant in an impaired class who fails to timely submit a Ballot shall be deemed to have accepted the proposed treatment of its claim under the Plan.

c. A Claim shall be deemed Allowed solely for purposes of voting on the Plan unless (a) such Claim is scheduled as disputed, contingent or unliquidated and no proof of claim has been timely filed or (b) there is an objection with respect to such claim at least fourteen (14) days prior to the Voting Deadline. Such objection will be heard by the Court at least [DATE] days prior to the Voting Deadline.

d. The Plan Supplement shall be filed on or before September 25, 2024.

e. ~~d. October 11~~, 2024, is the last date by which the Debtor must file a Ballot summary, which shall include a tabulation of Ballots received.

f. ~~e. [October 2, 2024]~~ (the “Objection Deadline”), is the last date by which any party objecting to confirmation of the Plan must file and serve its objection and evidence in support thereof. Any objection to confirmation of the Plan must:

- i. be in writing;
- ii. be accompanied by a memorandum of points and authorities;
- iii. set forth in detail the name and address of the party filing the objection, the grounds for the objection, and any evidentiary support for the objection in the nature of declarations submitted under penalty of perjury; and

iv. be served on the Debtor, its counsel, and the United States Trustee.

e. ~~[October 9, 2024]~~ is the last date by which the Debtor must file any reply memorandum and supporting declarations and evidence in support of confirmation of the Plan.

f. Any objection or opposition to confirmation of the Plan must be submitted by the Objection Deadline. The failure to file and serve ~~an~~ a timely objection to the Plan by the Objection Deadline ~~shall~~ may be deemed by the Court to be consent to ~~confirmation of~~ the ~~Plan~~ Motion.

g. The hearing on the confirmation of the Plan shall be held on October 16, 2024, ~~at 10:00 a.m.~~ at 10:00 a.m. (the "Confirmation Hearing"), before the Honorable Deborah J. Saltzman, United States Bankruptcy Judge. The Confirmation Hearing may be continued by announcement in open court without further notice to creditors or parties in interest.

h. Unless otherwise ordered by the Court, in the event of a contested Plan Confirmation Hearing: (i) all declarants must appear, without need for subpoena, at the Confirmation Hearing to be available for cross-examination; and (ii) the testimony of any declarant who is not present for cross-examination at the Confirmation Hearing will be stricken from the record and will not be considered in determining contested matters at the Confirmation Hearing.

###

BRYAN CAVE LEIGHTON PAISNER LLP

Sharon Z. Weiss (State Bar No.: 169446)

sharon.weiss@bclplaw.com

120 Broadway, Suite 300

Santa Monica, CA 90401-2386

Telephone: (310) 576-2100

Facsimile: (310) 576-2200

Jarret P. Hitchings (*Pro Hac Vice*)

jarret.hitchings@bclplaw.com

One Wells Fargo Center

301 S. College Street, Suite 2150

Charlotte, NC 28202

Telephone (704) 749-8999

Facsimile: (704) 749-8990

Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re:

Oceanwide Plaza LLC,

Debtor.

Case No.: 2:24-bk-11057-DS

Hon. Deborah J. Saltzman

Chapter 11 Case

**NOTICE OF: (1) APPROVAL OF
SECOND AMENDED DISCLOSURE
STATEMENT DESCRIBING DEBTOR'S
SECOND AMENDED LIQUIDATING
PLAN OF REORGANIZATION (DATED
~~JULY 10~~SEPTEMBER 4, 2024); (2)
HEARING ON CONFIRMATION OF
PLAN OF REORGANIZATION AND
RELATED DATES AND DEADLINES;
AND (3) PROCEDURES AND
REQUIREMENTS RELATING TO
VOTING ON PLAN OF
REORGANIZATION**

Confirmation Hearing

Hearing:

Date: October ~~10~~16, 2024

Time: ~~TBD~~10:00 a.m.

Place: Courtroom 1639

255 E. Temple St.

Los Angeles, CA 90012

**TO CREDITORS, EQUITY INTEREST HOLDERS, THE UNITED STATES TRUSTEE,
AND ALL OTHER PARTIES IN INTEREST:**

PLEASE TAKE NOTICE that, following a hearing before the Honorable Deborah J. Saltzman, United States Bankruptcy Judge, in the above-referenced case of Oceanwide Plaza LLC (the “Debtor”), the Court approved the Second Amended Disclosure Statement Describing Debtor’s Second Amended Liquidating Plan of Reorganization (Dated ~~July 10~~ September 4, 2024) (the “Disclosure Statement”), the Debtor’s Second Amended Liquidating Plan of Reorganization (Dated ~~July 10~~ September 4, 2024) (the “Plan”), to enable creditors, interest holders, and other parties in interest to make an informed judgment and decision regarding whether to accept or reject the Plan.

PLEASE TAKE FURTHER NOTICE that the Court approved for distribution to creditors, interest holders, and other parties in interest, the following materials, all of which are included in the package being transmitted to you with the present notice (collectively, the “Plan Solicitation Materials”):

(1) this Notice (the “Plan Confirmation Notice”), which includes notice of: (a) approval of the Disclosure Statement; (b) the hearing on confirmation of the Plan and related dates and deadlines; and (c) the Court-approved procedures and requirements relating to voting to accept or reject the Plan and tabulation of Plan ballots (the “Voting and Tabulation Procedures”);

(2) the Disclosure Statement;

(3) the Plan; and

(4) the ballot for creditors to use to vote to accept or reject the Plan (“Ballot”).

PLEASE TAKE FURTHER NOTICE OF THE FOLLOWING:

DISTRIBUTION OF PLAN SOLICITATION MATERIALS

1. The Court has approved the adequacy of the Disclosure Statement as containing “adequate information” within the meaning of 11 U.S.C. § 1125, and has authorized transmittal of the Disclosure Statement, the Plan, and the other Plan Solicitation Materials (itemized above).

2. If you received the Plan Solicitation Materials, the Debtor believes that, either: (i) you are a creditor or equity security holder of the Debtor; or (ii) you are a party in interest entitled to receive the Plan Solicitation Materials.

3. You may obtain, at no expense to you, additional copies of the Plan Solicitation Materials by sending a written request to:

Sharon Z. Weiss, Esq.
120 Broadway, Suite 300
Santa Monica, CA 90401-2386
sharon.weiss@bclplaw.com

Jarret P. Hitchings, Esq.
301 South College Street, Suite 2150
Charlotte, North Carolina 28202
jarret.hitchings@bclplaw.com

Copies of the Plan Solicitation Materials are also available (a) for a fee via PACER at <http://www.cacb.uscourts.gov>; or (b) at no charge from Stretto, Inc. (the "Solicitation Agent") by: (i) accessing the Debtor's restructuring website at

<https://cases.stretto.com/OceanwidePlaza/>

(ii) writing to Oceanwide Plaza LLC Ballot Processing, c/o Stretto, 410 Exchange, Suite 100 Irvine, CA 92602; (iii) emailing TeamOceanwidePlaza@stretto.com; or (iv) calling the Solicitation Agent at:

U.S. Toll Free: 888-808-1469

International: 949-358-6856

The manner in which the Debtor may transmit any additional copies of the Plan Solicitation Materials requested is within the Debtor's sole discretion.

VOTING AND TABULATION PROCEDURES

The Court has approved the following procedures and requirements for voting on the Plan:

1. The deadline to vote on the Plan is ~~September 23~~October 8, 2024 (the "Voting Deadline"). This means you must return your completed Ballot so that the Debtor, receives it by the Voting Deadline, by submitting the Ballot to the Solicitation Agent by mail at

Oceanwide Plaza LLC Ballot Processing
c/o Stretto
410 Exchange, Suite 100
Irvine, CA 92602

or electronically under the "File a Ballot" tab at

<https://cases.stretto.com/OceanwidePlaza/>

2. The fact that you received a Ballot with these Plan Solicitation Materials does not mean the Debtor believes you are entitled to vote on the Plan, and you should not construe your receipt of a Ballot in that manner. Consult the Plan to determine whether or not you are entitled to vote on the Plan.

3. Ballots must be delivered in one of the following manners so that the Ballot is received by the Solicitation Agent by the Voting Deadline: (i) mail; (ii) overnight courier; ~~(iii) hand delivery~~; or ~~(iv)~~ via the Solicitation Agent's website maintained for this case. A claimant in an impaired class who fails to timely submit a Ballot shall be deemed to have accepted the proposed treatment of its claim under the Plan.

4. Solely for the purposes of voting on the Plan and tabulating acceptance or rejection of the Plan, the amount of the claim for each voting party will be treated as allowed in an amount equal to the greater of: (i) the amount of such claim as set forth in the Debtor's schedules, or (ii) the amount of such claim as set forth in a timely filed proof of claim to which no objection has been filed, or if an objection has been filed, then in the amount of any order entered allowing the holder of such claim to vote, as of the date the Plan Solicitation Materials are transmitted to creditors, except that each holder of a claim shall be entitled to vote all of the non-duplicative claims it holds, but may only vote a single ballot as to all claims within a particular class.

5. Any Ballot that is illegible or contains insufficient information to permit the identification of the holder of the claim voted shall not be counted.

6. Any Ballot cast by a person or entity that does not ~~hold~~ holds an Allowed Claim (as defined in the Plan) shall not be counted. A Claim shall be deemed Allowed solely for purposes of voting on the Plan if there is no objection filed with respect to such claim fourteen (14) days prior to the Voting Deadline or the Claim is not otherwise scheduled as disputed, contingent, or unliquidated. Debtor reserves the right to object to any claim deemed Allowed for purposes of voting on the Plan pursuant to this Order. Such objection will be heard by the Court at least [DATE] days prior to the Voting Deadline.

7. Any Ballot that is properly completed, executed, and timely returned to the Debtor that does not indicate an acceptance or rejection of the Plan shall be counted as an acceptance of the Plan.

8. Any Ballot that is properly completed, executed, and timely returned to the Debtor that indicates both acceptance and rejection of the Plan shall be counted as an acceptance of the Plan.

~~9. Any claimant entitled to vote that does not timely return a Ballot shall be deemed to have accepted the Plan and the Ballot shall be counted and treated as such for all purposes.~~

9. ~~10.~~ Any objection or opposition to confirmation of the Plan must be submitted by the Objection Deadline. The failure to file and serve a timely objection to the Plan by the Objection Deadline may be deemed by the Court to be consent to confirmation of the requested relief.

Whenever a holder in a voting class returns more than one Ballot voting the same claim by the Voting Deadline, only the last Ballot timely returned to the Debtor shall be counted.

10. ~~11.~~ Each holder of a claim in a voting class shall be deemed to have voted the full amount of its claim.

11. ~~12.~~ Holders of claims in a voting class shall not split their vote, but shall vote their entire claim within a particular class either to accept or reject the Plan, and a Ballot (or a Ballot or multiple Ballots with respect to multiple claims within a single class) that partially rejects and partially accepts the Plan shall be counted as an acceptance of the Plan. For the avoidance of doubt, to the extent that any portion of any secured claim is ultimately undersecured, by agreement or other otherwise, such secured creditor may vote that portion of its unsecured claim separately.

12. ~~13.~~ For purposes of the numerosity requirement of section 1126(c) of the Bankruptcy Code, separate claims held by a single creditor in a particular class will be aggregated as if such creditor held one claim against the Debtor in such class, and the votes related to such claims will be treated as a single vote to accept or reject the Plan.

13. ~~14.~~ Neither the Debtor nor any other person or entity will be under any duty to provide notification of defects or irregularities with respect to delivered Ballots, nor will any of them incur any liability for failure to provide such notification.

HEARING ON CONFIRMATION OF THE PLAN AND RELATED DEADLINES

The Court has approved the following schedule to consider confirmation of the Plan:

1. The hearing on the confirmation of the Plan shall be held on October ~~—16,~~ 2024, at ~~—:—0—m.,~~ 10:00 a.m. before the Honorable Deborah J. Saltzman, United States Bankruptcy Judge. The Confirmation Hearing may be continued by announcement in open court without further notice to creditors or parties in interest.

2. ~~August 30, 2024,~~ September 10, 2024, is the last date by which the Debtor must file and serve its motion to confirm the Plan, which shall include a memorandum of points and authorities and all evidence in support of confirmation of the Plan, including witness declarations on direct testimony and related exhibits (the “Plan Confirmation Motion”). The Plan Confirmation Motion need only be served on ECF-registered parties, parties who filed an objection to the Disclosure Statement, the United States Trustee, and parties who requested special notice.

3. October ~~11,~~ 2024, is the last date by which the Debtor must file a Ballot summary, which shall include a tabulation of Ballots received.

4. ~~{October —2, 2024}~~ (the “Objection Deadline”), is the last date by which any party objecting to confirmation of the Plan must file and serve its objection and evidence in support thereof. Any objection to confirmation of the Plan must:

- a. be in writing;
- b. be accompanied by a memorandum of points and authorities;
- c. set forth in detail the name and address of the party filing the objection, the grounds for the objection, and any evidentiary support for the objection in the nature of declarations submitted under penalty of perjury; and
- d. be served on the Debtor, its counsel, and the United States Trustee.

5. ~~{October —9, 2024}~~ is the last date by which the Debtor must file any reply memorandum and supporting declarations and evidence in support of confirmation of the Plan.

6. Any objection or opposition to confirmation of the Plan must be submitted by the Objection Deadline. The failure to file and serve ~~an~~ a timely objection to the Plan by the Objection Deadline ~~shall~~ may be deemed by the Court to be consent to ~~confirmation of the Plan~~ Motion.

1 7. Unless otherwise ordered by the Court, in the event of a contested Plan Confirmation
2 Hearing: (i) all declarants must appear, without need for subpoena, at the Confirmation Hearing to
3 be available for cross-examination; and (ii) the testimony of any declarant who is not present for
4 cross-examination at the Confirmation Hearing will be stricken from the record and will not be
5 considered in determining contested matters at the Confirmation Hearing.

6 8. Confirmation Hearing: (a) all declarants must appear, without need for subpoena,
7 at the Confirmation Hearing to be available for cross-examination; and (b) the testimony of any
8 declarant who is not present for cross-examination at the Confirmation Hearing will be stricken
9 from the record and will not be considered in determining contested matters at the Confirmation
10 Hearing.

11
12 Dated: ~~September 4, 2024~~
PAISNER LLP

BRYAN CAVE LEIGHTON

13
14 By: _____
15 Sharon Z. Weiss
16 Attorneys for Debtor and Debtor-in-Possession
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

In re:

Oceanwide Plaza LLC,

Debtor.

Case No.: 2:24-bk-11057-DS

Hon. Deborah J. Saltzman

Chapter 11 Case

PLAN BALLOT

[Use For Voting on Debtor's Second Amended Liquidating Plan of Reorganization (Dated ~~July 10~~ September 4, 2024) (the "Plan")]

Voting Deadline: ~~September 23~~, October 8, 2024

CLASS ☐ BALLOT FOR HOLDERS OF [VOTING CLASS]

PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS FOR COMPLETING BALLOTS CAREFULLY *BEFORE* COMPLETING THIS BALLOT.

IN ORDER FOR YOUR VOTE TO BE COUNTED, THIS BALLOT MUST BE COMPLETED, EXECUTED, AND RETURNED SO AS TO BE *ACTUALLY RECEIVED*

BY THE SOLICITATION AGENT BY ~~SEPTEMBER 23~~ OCTOBER 8, 2024, (THE "VOTING DEADLINE") IN ACCORDANCE WITH THE FOLLOWING:

You are receiving this Class ☐ ballot (this "Class ☐ Ballot" or "Ballot") because you are a Holder of a [Voting Class] (your "[Voting Class]") as of ~~July 10, 2024~~ the date of this Order (the "Voting Record Date"). Accordingly, you have a right to vote to accept or reject the Plan.

Your rights are described in the Second Amended Disclosure Statement ("Disclosure Statement"), which was included in the package (the "Solicitation Package") you are receiving with this Class ☐ Ballot (as well as the Plan, Disclosure Statement Order, and certain other materials). If you received Solicitation Package materials in electronic format and desire paper copies, or if you need to obtain additional Solicitation Packages, you may obtain them (a) for a fee via PACER at <http://www.cacb.uscourts.gov>; or (b) at no charge from Stretto, Inc. (the "Solicitation Agent") by: (i) accessing the Debtor's restructuring website at <https://cases.stretto.com/OceanwidePlaza/>; (ii) writing to Oceanwide Plaza LLC Ballot Processing, c/o Stretto, 410 Exchange, Suite 100 Irvine, CA 92602; (iii) emailing TeamOceanwidePlaza@stretto.com; or (iv) calling the Solicitation Agent at:

U.S. Toll Free: 888-808-1469

International: 949-358-6856

This Class ☐ Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan and making certain certifications with respect to the Plan. If you believe you have received this Class ☐ Ballot in error, or if you believe you have received the wrong Ballot, please contact the Solicitation Agent ***immediately*** at the address, telephone number, or email address set forth above.

You should review the Disclosure Statement, the Plan, and the instructions contained herein before you vote. You may wish to seek legal advice concerning the Plan and the Plan's classification and treatment of your Claim. Your [Voting Class] has been placed in Class ☐ under the Plan. If you hold Claims or Interests in more than one Class, you will receive a Ballot or Notice of Non-Voting Status, as applicable for each such Class.

PLEASE SUBMIT YOUR BALLOT BY ONE OF THE FOLLOWING TWO METHODS:

Via Paper Ballot. Complete, sign, and date this Ballot and return it (with an original signature) promptly via first class mail (or in the enclosed reply envelope provided), overnight courier, or hand delivery to:

Oceanwide Plaza LLC Ballot Processing
c/o Stretto
410 Exchange, Suite 100
Irvine, CA 92602

If you would like to coordinate hand delivery of your Ballot, please send an email to TeamOceanwidePlaza@stretto.com and provide the anticipated date and time of your delivery.

OR

Via Balloting Portal. Submit your Ballot via the Solicitation Agent's online portal, by visiting <https://cases.stretto.com/OceanwidePlaza/> (the "**Balloting Portal**"). Click on the "File a Ballot" section of the website and follow the instructions to submit your Ballot.

IMPORTANT NOTE: You will need the following information to retrieve and submit your customized electronic Ballot:

Unique Password: _____

The Solicitation Agent's Balloting Portal is the sole manner in which Ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile, email, or other means of electronic transmission will not be counted.

Each Password is to be used solely for voting only those Claims described in Item 1 of your electronic Ballot. Please complete and submit an electronic Ballot for each Password you receive, as applicable.

Holders of Claims who cast a Ballot using the Balloting Portal should NOT also submit a paper Ballot. In the event you submit a Ballot using the Balloting Portal and a paper Ballot, the last properly executed Ballot timely received shall control.

Item 1. Amount of Claim.

The undersigned hereby certifies that as of the Voting Record Date, the undersigned was the Holder of [Voting Class] in the following aggregate unpaid amount (insert amount in box below):

\$ _____

Item 2. Vote on Plan.

The Holder of the [Voting Class] set forth in Item 1 votes to (please check only one)

☐ **ACCEPT** (vote FOR) the Plan

☐ **REJECT** (vote AGAINST) the Plan

Item 3. Certifications.

By signing this Class [] Ballot, the undersigned certifies to the Bankruptcy Court and the Debtor that:

- (a) as of the Voting Record Date, either: (i) the Entity is the Holder of the [Voting Class] being voted; or (ii) the Entity is an authorized signatory for an Entity that is a Holder of the [Voting Class] being voted;
- (b) the Entity (or in the case of an authorized signatory, the Holder) has received the Solicitation Package and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
- (c) the Entity has cast the same vote with respect to all [Voting Class]; and
- (d) no other Class [] Ballots with respect to the amount of the [Voting Class] identified in Item 1 have been cast or, if any other Class [] Ballots have been cast with respect to such General Unsecured Claims, then any such earlier Class [] Ballots are hereby revoked.

1	Name of Holder: _____
2	(Print or Type)
3	Signature: _____
4	Name of Signatory: _____
5	(If other than the Holder)
6	Title: _____
7	Address: _____
8	_____
9	Telephone Number: _____
10	Email: _____
11	Date Completed: _____
12	_____

IF THE SOLICITATION AGENT DOES NOT *ACTUALLY RECEIVE* THIS BALLOT ON OR BEFORE ~~SEPTEMBER 23~~OCTOBER 8, 2024, AT 4:00 P.M., PREVAILING PACIFIC TIME, (AND IF THE VOTING DEADLINE IS NOT EXTENDED), YOUR VOTE TRANSMITTED BY THIS BALLOT MAY BE COUNTED TOWARD CONFIRMATION OF THE PLAN ONLY IN THE DISCRETION OF THE DEBTOR.

BRYAN CAVE LEIGHTON PAISNER LLP
120 BROADWAY, SUITE 300
SANTA MONICA, CA 90401-2386

Summary report: Litera Compare for Word 11.7.0.54 Document comparison done on 9/4/2024 10:27:03 PM	
Style name: Firm	
Intelligent Table Comparison: Active	
Original filename: 2027-07-10 Oceanwide Plaza Proposed Order re DS and Confirmation Schedule Motion.docx	
Modified filename: 2024-09-04 Oceanwide Plaza Proposed Order re Second DS and Confirmation Schedule Motion.docx	
Changes:	
<u>Add</u>	78
Delete	80
Move From	4
<u>Move To</u>	4
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	2
Total Changes:	168

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: Bryan Cave Leighton Paisner LLP, 120 Broadway, Suite 300, Santa Monica, California 90401-2386.

A true and correct copy of the foregoing document(s) entitled: **NOTICE OF FILING (I) DEBTOR'S SECOND AMENDED DISCLOSURE STATEMENT, (II) DEBTOR'S SECOND AMENDED LIQUIDATING PLAN OF REORGANIZATION (DATED SEPTEMBER 4, 2024), AND (III) RELATED EXHIBITS** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On *(date)* September 4, 2024, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- PLEASE SEE ATTACHED LIST

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On *(date)*, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

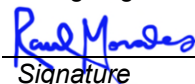
3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on *(date)*, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

September 4, 2024
Date

Raul Morales
Printed Name


Signature

1. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):**

- Melody G Anderson
manderson@kjfesq.com
- James W Bates on behalf of Creditor Kovach Enclosure Systems, LLC
jbates@jbateslaw.com
- Ori S Blumenfeld on behalf of Interested Party Courtesy NEF
oblumenfeld@lakklawyers.com, ncondren@lakklawyers.com;smcfadden@lakklawyers.com
- Paul Brent on behalf of Interested Party Courtesy NEF
snb300@aol.com
- Sara Chenetz on behalf of Petitioning Creditor Lendlease (US) Construction Inc.
schenetz@perkinscoie.com, docketLA@perkinscoie.com; cmallahi@perkinscoie.com; jkulow@perkinscoie.com;
chenetz-sara-perkins-coie-8670@ecf.pacerpro.com; rleibowitz@perkinscoie.com
- Jacquelyn H Choi on behalf of Creditor LOS ANGELES COUNTY TREASURER AND TAX COLLECTOR
jacquelyn.choi@rimonlaw.com, docketingsupport@rimonlaw.com
- Leslie A Cohen on behalf of Interested Party Courtesy NEF
leslie@lesliecohenlaw.com, jaime@lesliecohenlaw.com;clare@lesliecohenlaw.com
- Gloria D Cordova on behalf of Creditor Carrara, Inc.
gdc@gcordovalaw.com, NEF@gcordovalaw.com;ssg@gcordovalaw.com
- Sean C Coughlin on behalf of Creditor Commercial Scaffolding of California, Inc.
scc@coughlin-law.com, lb@coughlin-law.com
- Matthew Dill on behalf of Interested Party Courtesy NEF
mdill@counsel.lacounty.gov
- Luke N Eaton on behalf of Creditor CMF, Inc.
lukeeaton@cozen.com, jacqueline.sims@troutman.com
- Amir Gamliel
amir-gamliel-9554@ecf.pacerpro.com, cmallahi@perkinscoie.com;DocketLA@perkinscoie.com
- Jon F Gauthier on behalf of Petitioning Creditor Standard Drywall, Inc.
jgauthier@ftblaw.com, jrobinson@ftblaw.com;storres@ftblaw.com
- Richard Girgado on behalf of Interested Party Courtesy NEF
rgirgado@counsel.lacounty.gov
- Richard H Golubow on behalf of Petitioning Creditor Woodbridge Glass Inc.
rgolubow@wghlawyers.com, jmartinez@wghlawyers.com;svillegas@wghlawyers.com
- Mark Isola on behalf of Creditor Fetzers' Inc.
misola@brotherssmithlaw.com
- Gary E Klausner on behalf of Interested Party Courtesy NEF
gek@lnbyg.com
- Noreen A Madoyan on behalf of U.S. Trustee United States Trustee (LA)
Noreen.Madoyan@usdoj.gov

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

- Allison C. Murray on behalf of Creditor Schuff Steel Company, Inc.
acmurray@swlaw.com, kcollins@swlaw.com
- Douglas M Neistat on behalf of Interested Party Douglas Neistat
dneistat@gbllaw.com, mramos@gbllaw.com
- Rosemary Nunn on behalf of Petitioning Creditor Mitsubishi Electric US, Inc.
rosemary.nunn@procopio.com
- Misty A Perry Isaacson on behalf of Interested Party Courtesy NEF
misty@ppilawyers.com, ecf@ppilawyers.com;pagterandperryisaacson@jubileebk.net
- Matthew D Pham on behalf of Attorney Matthew D. Pham
mpham@allenmatkins.com, mdiaz@allenmatkins.com
- Michael B Reynolds on behalf of Creditor Schuff Steel Company, Inc.
mreynolds@swlaw.com, kcollins@swlaw.com
- Robert L. Rosvall on behalf of Interested Party Courtesy NEF
rrosvall@ccllp.law, kvargas@ccllp.law
- Jeremy H Rothstein on behalf of Creditor ACCO Engineered Systems, Inc.
jrothstein@gbllaw.com, msingleman@gbllaw.com;MBowes@gbllaw.com
- Jeremy H Rothstein on behalf of Creditor Bapko Metal, Inc.
jrothstein@gbllaw.com, msingleman@gbllaw.com;MBowes@gbllaw.com
- Jeremy H Rothstein on behalf of Creditor Martin Bros./Marcowall, Inc.
jrothstein@gbllaw.com, msingleman@gbllaw.com; MBowes@gbllaw.com
- Leonard M Shulman on behalf of Interested Party Kpc Global Care Inc. A Cal Corp
lshulman@shulmanbastian.com, bcabrera@shulmanbastian.com;yrivera@shulmanbastian.com
- Howard Steinberg
steinbergh@gtlaw.com, pearsallt@gtlaw.com;NEF-BK@gtlaw.com;howard-steinberg-6096@ecf.pacerpro.com
- United States Trustee (LA)
ustpreion16.la.ecf@usdoj.gov
- J Scott Williams on behalf of Interested Party Courtesy NEF
jwilliams@williamsbkfirm.com, g24493@notify.cincompass.com
- Donna Wong on behalf of Interested Party City of Los Angeles
donna.wong@lacity.org
- Richard Lee Wynne on behalf of Interested Party City of Los Angeles
richard.wynne@hoganlovells.com, tracy.southwell@hoganlovells.com;cindy.mitchell@hoganlovells.com;rick-wynne-7245@ecf.pacerpro.com
- Chelsea Zwart on behalf of Petitioning Creditor Star Hardware, Inc.
czwart@cgdrllaw.com, service@cgdrllaw.com